

Congressional Record

PROCEEDINGS AND DEBATES OF THE SEVENTY-FIRST CONGRESS FIRST SESSION

SENATE

TUESDAY, June 4, 1929

Rev. Joseph Hillman Hollister, D. D., minister of the Chevy Chase Presbyterian Church of the city of Washington, offered the following prayer:

O God, who hast breathed into man the breath of life and hast given to every life its spiritual height and spiritual depth, we pray that this day we may attain unto our spiritual possibilities; that to the affairs of men we may bring the wisdom of God; that from the frailties of humankind we rise to the strength of the most high.

We pray for the world, for our Republic, for our President, and for everyone who holds the high and noble office of servant of the people. And may God have to do with the beginning, the continuing, and the ending of this another day of service. In the name of Jesus Christ we pray. Amen.

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. WATSON and by unanimous consent, the further reading was dispensed with and the Journal was approved.

TENTH ANNIVERSARY OF WOMAN SUFFRAGE AMENDMENT TO CONSTITUTION

Mr. WATSON. Mr. President, I wish to call the attention of the Senate to the fact that 10 years ago to-day this body took one of the most memorable votes in its history and by a two-thirds majority submitted to the States for ratification the amendment to the United States Constitution giving suffrage to the women of this country.

I had the honor of serving as the chairman of the Woman Suffrage Committee of the Senate at that time and am glad to call attention to this tenth anniversary, which is to-day being celebrated by women in every part of the United States.

Twenty-three men who are now Members of this body have the distinction of having voted for the suffrage amendment in the Senate when it was passed on June 4, 1919, and I believe that I can say that every one of them will gladly bear testimony to the splendid results achieved by granting to women political equality with men. Everyone can now clearly see that the right of women to complete equality is convincingly demonstrated by the manner in which American women have borne their part in our national life since the suffrage amendment was adopted in the Senate 10 years ago to-day.

I congratulate women on their achievements in practically every line of endeavor and wish to say that I am proud of any service I may have been able to render them in their advance toward full equality with the male citizens of this country.

CLAIM OF THE ALLEGHENY FORGING CO.

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of the Allegheny Forging Co., of Pittsburgh, Pa., which, with the accompanying report, was referred to the Committee on Claims.

PETITIONS

Mr. WALCOTT presented a petition of members of Sarah Whitman Hooker Chapter, Daughters of the American Revolution, of West Hartford, Conn., favoring the retention of the national-origins clause in the immigration law, which was referred to the Committee on Immigration.

He also presented a petition of members of the G. A. Hadsell Camp, No. 21, United Spanish War Veterans, of Bristol, Conn., praying for the passage of legislation granting increased pensions to Spanish War veterans, which was referred to the Committee on Pensions.

BUSINESS RELATIONS WITH SOVIET RUSSIA

Mr. BORAH. Mr. President, I have been interested in reading an article of late in which a discussion is had as to the way in which business marches ahead of government. The government is ordinarily far behind the business world and often retards business. I ask to have inserted in the RECORD an article appearing in this morning's New York Times with reference to the business relations which are being built up between this country and Soviet Russia in spite of the Government.

The VICE PRESIDENT. Without objection, it is so ordered. The article is as follows:

[From the New York Times, Tuesday, June 4, 1929]

SOVIETS HAIL DEALS FOR AMERICAN AID—CONTRACTS INVOLVING MILLIONS WITH INDUSTRY HERE ARE NOW EFFECTIVE—FORD COOPERATION LAUDED—STATEMENT BY MESHLAUK AND AMTORG TELLS OF TECHNICAL ASSISTANCE AND EXCHANGE OF PATENTS

Details of soviet contracts with more than 15 American concerns, involving millions of dollars, were made public yesterday in a joint statement issued by Valery I. Meshlauk, vice chairman of the Supreme Economic Council of the Soviet Union, and Saul G. Bron, chairman of the board of the Amtorg Trading Corporation, 261 Fifth Avenue.

Among the outstanding of these contracts is the one with the Ford Motor Co., signed at Dearborn, Mich., last Friday, at which time it was announced that this agreement calls for the purchase of \$30,000,000 worth of Ford cars and parts by the Russian interests within the next four years. The other contracts call for designing of plants, technical assistance, and exchange of patents.

The statement issued yesterday at the offices of the Amtorg Trading Corporation, which was one of the parties to the Ford Motor Co. contract, said that "it is significant that American engineering skill is being utilized on many of the principal soviet industrial projects now under way."

The Ford contract, which is for a term of nine years, provides for technical cooperation between the Ford Motor Co. and the Soviet Automobile Trust for five years after the completion of a factory at Nizhni Novgorod, which is expected to be put in operation within four years, and which will produce annually 100,000 Ford cars and trucks. This plant will produce more trucks than passenger cars.

The statement pointed out that the Soviet Union possesses only 20,000 cars "and is probably the least advanced in this respect of any of the large European countries." The statement added that "an indication that the problem is receiving adequate attention is the fact that this year \$150,000,000 has been appropriated for road construction" by soviet federal and local authorities.

Other contracts have been made with the following:

International General Electric Co., for exchange of patents and technical assistance.

Radio Corporation of America, for exchange of patents and other technical information.

Du Pont de Nemours Co., for technical assistance in building ammonia fertilizer factories.

Hugh L. Cooper Co., New York, consulting engineers on a \$100,000,000 hydroelectric power plant in the Ukraine, claimed to be the largest in the world.

Freyng Engineering Co., New York, consulting engineers in the designing of steel mills to cost more than \$1,000,000,000.

Stuart, James & Cooke, New York, consulting engineers for building new coal mines, rebuilding old mines, and installing up-to-date equipment.

Nitrogen Engineering Co., New York, for technical assistance in construction of nitrogen fertilizer factory.

Longacre Engineering & Construction Co., New York, for technical assistance and supervision on the erection of apartment houses in Moscow.

McCormick Co., New York, for the designing of a large baking plant in Moscow.

Albert Kahn (Inc.), Detroit, for designing the Stalingrad tractor factory to produce 40,000 tractors a year.

Arthur P. Davis, Oakland, Calif., chief consulting engineer on irrigation projects in Soviet Central Asia.

The statement issued yesterday said in part:

"We wish to state that in all of our conversations and negotiations with Mr. Ford he afforded us the maximum of cooperation and evinced a great interest in our industrial development, particularly in the application of automotive power to large-scale farming.

"The construction of the new automobile plant is a part of the general soviet program for the inauguration of many new industries in the country. A tractor factory with a capacity of 40,000 machines per year was started last year at Stalingrad, and construction of another tractor factory with a similar capacity is to be commenced shortly. The tractor plants at Leningrad and Kharkov are being re-equipped for larger capacities. Several large power plants are under construction, as well as many factories for the production of fertilizers, paper, electrical equipment, and other products."

FEDERAL FARM-LOAN BANK RATES OF INTEREST

Mr. NORBECK. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, resolutions from one of the large farm organizations of my State relating to the rate of interest charged by the Federal farm-loan banks and the intermediate credit banks.

There being no objection, the resolutions were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Whereas the Federal land banks are increasing their rates of interest on farm loans; and

Whereas interest has been increased on intermediate-credit loans; and

Whereas this action on the part of these Government agencies is inconsistent at this time when Congress is called in special session for the purpose of bringing about relief to agriculture; and

Whereas any increase in interest rates at this time tends to relieve the farmer of what little resources he may have left: Therefore be it

Resolved by the State Board of Directors of the Farmers' Educational and Cooperative Union of America, South Dakota Division, in meeting assembled, That we respectfully petition Congress that they lower the interest rates rather than to increase them to bring about real relief to agriculture; and be it further

Resolved, That a copy of these resolutions be sent to each of our Representatives in Congress and United States Senators.

(NOTE.—At a meeting called at Mitchell, S. Dak., on May 29-30, 1929, all members of the board were present and the above resolution was passed by a unanimous vote.)

E. H. SAUBER,

Secretary, Yankton, S. Dak.

FARM RELIEF AND THE MUSCLE SHOALS PLANT

Mr. SHEPPARD. I present a resolution adopted by the Texas State Senate in reference to Muscle Shoals. I ask that it be printed in the RECORD at this point and referred to the Committee on Agriculture and Forestry.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Simple Resolution 2

Senator Beck sent up the following resolution:

"Whereas agriculture is the chief industry of our Southland; and

"Whereas the marketing system for our crops is inadequate; and the fertility of our soil is being constantly depleted of its nitrogen contents; and the United States Government now owns a hydroelectric plant at Muscle Shoals, Ala., which cost more than \$150,000,000, and is capable of manufacturing sodium nitrate so necessary for the rehabilitation of our soils; and

"Whereas at the present time Chilean nitrate sells at Texas points for \$60 per ton; and the Muscle Shoals plant, if properly handled, will materially reduce the cost of sodium nitrate: Therefore be it

Resolved by the Senate of Texas, That our Representatives in Congress are urgently requested to support such measures that will give an adequate marketing system for our crops; and such measures that will permit the manufacture of nitrogen at the Muscle Shoals plant, thereby making it possible for our farmers to receive cheaper fertilizer: Be it further

Resolved, That this resolution be printed in the journal, and a copy thereof be mailed to our Representatives in Congress.

"BECK.

"NEAL.

"WILLIAMSON."

HANDLING OF LIQUORS BY FOREIGN EMBASSIES

Mr. BLEASE. Mr. President, I ask unanimous consent to have printed in the RECORD certain articles in reference to the shipment of liquors by foreign embassies. Before the request is

granted I should like first to ask the Senator from Idaho [Mr. BORAH], the chairman of the Committee on Foreign Relations, if he thinks there is any possibility of getting a report on my resolution in reference to the matter at any time during this session of Congress or the early part of the next session?

Mr. BORAH. I do not understand what the resolution is to which the Senator refers.

Mr. BLEASE. The resolution to which I refer has to do with the handling of whisky and other liquors by foreign embassies. I have one such resolution with the Committee on Foreign Relations, one with the Committee on the Judiciary, and one with the Committee on Commerce. I am particularly interested just at this time in the resolution which is now before the Foreign Relations Committee.

Mr. BORAH. I do not believe there is any chance of a report on it at this session. It has been the idea of the committee that it would not take up controversial matters at the special session.

Mr. BLEASE. I simply wanted to call attention to the fact that the resolutions are in the committees and that I have not forgotten them. I ask that the articles to which I have referred be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The articles referred to are as follows:

[From the Washington Post, May 6, 1929]

FOUR HUNDRED AND FIFTY "SPEAK-EASIES" FLOURISHING IN CITY, DOCTOR HOWARD STATES—EVIDENCE OF SURVEY GIVEN TO AUTHORITIES. HE SAYS IN CHURCH ADDRESS—FARMERS ACCUSED OF MAKING LIQUOR—LAW ENFORCEMENT CHAIRMAN SEES UNITED STATES FACING BLOODY RUM REVOLT

Evidence obtained in more than 450 "speak-easies" flourishing in the northwest section of Washington has been turned over to Capital authorities, Dr. Clinton N. Howard, chairman of the United Committee for Law Enforcement, said last night in an address before 400 members of the Clarendon (Va.) Baptist Church.

On Saturday, Doctor Howard said, his private investigators obtained evidence against 16 of the "speak-easies" which, he declared, are running openly in Washington.

Many farmers in Maryland and Virginia who, several years ago, depended on their crops for a livelihood, now are devoting their entire energy toward the manufacture of liquor, which flows unchecked into the National Capital, the speaker charged.

FACES RUM REVOLUTION

The United States is facing a bloody rum revolution, Doctor Howard said in speeches made earlier in the day at the Asbury Methodist Episcopal and National Baptist Churches, in Washington.

Crime is more rampant, life cheaper, and public opinion more indifferent to consequences in the United States than in any of the "benighted lands" to which missionaries are sent, he said.

DEPLORES RUM RUNNERS' TACTICS

The law enforcement chairman deplored the tactics used by the present-day rum runner, who thinks nothing, he said, of throwing bombs, releasing poison gases, and operating machine guns in the city streets throughout the country in the operation of his nefarious business.

Foreign powers who permit international rum smugglers to get their supplies in their countries, knowing they will be smuggled into the United States, are making a scrap of paper out of the American Constitution, Doctor Howard said. He plans to speak before the local policemen's association in the near future.

[From the News and Courier, Charleston, S. C., May 26, 1929]

HOOVER WILL NOT SEEK TO BAR RUM FROM DIPLOMATS—ACTION WOULD CHANGE STATUS OF RIGHTS OF AMERICAN ENVOYS OVER WORLD—PLAN WOULD BE FOUGHT—SOME LEGATES WOULD CONSENT, BUT OTHERS RISE SOCIALLY BY SERVING LIQUORS

WASHINGTON, May 25.—Just when leaders of the diplomatic corps in Washington were becoming so frightened at liquor agitation over immunity privileges that they were willing to climb on the water wagon at any hint from the administration, it was made known to-day that foreign diplomats are to be masters of their own homes.

The United States will not ask foreign envoys to give up any of their privileges, including that of importing and consuming their favorite drinks. The property of each embassy and legation in the Capital is protected by extraterritoriality, making it "home soil" of each nation represented here. This country enjoys reciprocal immunities and privileges abroad and will make no move to upset this equilibrium.

The liquor question, which has been agitated here since early April, when dry dinners were started as a fad in Washington society circles, has been brought to the front again by a letter from Sir Esme Howard, British ambassador, to a Virginia prohibitionist stating his willingness to forego liquor privileges if any such hint should emanate from authoritative administration sources.

The letter was forwarded to the White House several days ago, and in the routine sorting of mail was forwarded to the State Department.

HOOVER WON'T ACT

Now that the nature of the letter has become known, President Hoover has requested that it be sent to him for study.

The President, however, contemplates nothing that could be construed as a hint. While appreciating the willingness to conform to laws of this country, Mr. Hoover is unwilling to disturb diplomatic equilibrium by a move that would bring endless governmental and social complications.

The diplomatic corps is far from united on the matter. Some members said they would be unwilling to forego their immunity. Others have suggested the compromise of serving no liquor at formal state functions. Several stand behind Sir Esme.

Most of the diplomats here would hesitate to lose the privilege chiefly because of the social prestige. Their American guests have learned to anticipate the wines and whiskeys, and it is feared many of the guests would lose interest in the quest for embassy invitation if the oases of foreign territory here were dried up.

The opening has been created for a more or less determined fight by dries to detour the thirsts of envoys to water. James T. Carter, of Lynchburg, Va., prohibitionist and lumber manufacturer, who transmitted the personal letter from Sir Esme Howard to the White House, approached the President with a request that "necessary steps be taken immediately to accept the proposal of the British ambassador."

WROTE TO HOWARD

The gratuitous step by the British ambassador was written in answer to a personal letter from Carter, asking Sir Esme to "join hands with the better element of the people of the United States and try to help us enforce the liquor laws of our country." Sir Esme pointed out that the privilege of importing and using alcoholic beverages was granted voluntarily by the United States to foreign diplomats.

In a legal, as well as diplomatic sense, this Government could not officially suggest waiving reciprocal immunities without having the reciprocity withdrawn and nullifying the effect of past and future good-will tours.

Envoys have shared some of the general prohibition fears of the average American citizen, particularly those attachés who have accompanied truck loads of liquor from Baltimore, and who feared they might suffer the fate of some American bootleggers before they could flash their credentials and establish their immunity from rough-and-tumble tactics.

Secretary of State Stimson declined to express an opinion as to whether a law passed by Congress could affect the diplomatic corps. He pointed out that this question raises the old dispute as to whether treaty provisions supersede an act of Congress.

A high official of the French Embassy said that Sir Esme had not consulted other members of the corps. He expressed personal antipathy to waiving immunities. Representatives of five of the world's leading powers also vehemently denied that Sir Esme was speaking for any mission but his own.

It was generally conceded that Sir Esme could dry up the British Embassy if he so desires. Already, Carlos G. Davilla, the Chilean ambassador, has established a rule that wines and liquors are not to be served at his table when American officials are present.

[From the United States Daily, May 27, 1929]

SECRETARY CALLS ATTENTION TO IMMUNITY OF DIPLOMATS

Laws enacted by the United States have no effect upon the diplomatic corps in the Nation's Capital, according to an oral statement, May 25, by the Secretary of State, Henry L. Stimson.

Secretary Stimson's statement was made in connection with the statement of the British ambassador, Sir Esme Howard, dean of the diplomatic corps, that the diplomats would be willing to abide by any ruling of the United States regarding diplomatic liquor.

Commenting on the British ambassador's position, Senator HOWELL (Republican), of Nebraska, expressed the belief that "undoubtedly the administration will take advantage of his offer."

[From the News and Courier, Charleston, S. C., Thursday morning, May 30, 1929]

DIPLOMATIC RUM ANNOYING HOOVER—MANY CONFUSING SITUATIONS MAY ARISE FROM RUMPUSS OVER HOWARD LETTER—BLEASE MAY STEP OUT—CAROLINIAN LIKELY TO BRING FORTH HIS RESOLUTION ON EMBASSY LIQUORS

By Charles Michelson

WASHINGTON, May 29.—Prohibition is surely the spinkest package of trouble that ever plagued a well-meaning nation.

Here President Hoover just had the thing put away comfortably with his law-enforcement commission, the eminence of the personnel of which only compares superlatively with the indefiniteness of its objective and along comes Sir Esme Howard, the British ambassador, and motivates the sharpest thorn that ever pricked a President.

The law-enforcement body was a perfect alibi for holding up any of the ordinary moves to reinforce prohibition. Congress appropriated

\$250,000 to start the President's investigation, and obviously if the Chief Executive was to accomplish anything he must not be interfered with by legislation that might cross the recommendations that the Wickersham committee may formulate. It looked like a long truce in the whisky war. But Sir Esme had to write to a bust prohibitionist who appealed to him to help us enforce the sacred law by setting an example of official abstention, and ingeniously explain that the diplomats were willing to waive their immunity if President Hoover would signify that he wanted them to.

Whereupon the correspondence is forwarded to the President with the mild suggestion that he follow the course the British ambassador had designated. Naturally the Anti-Salooners indorsed the proposal leaving the President in the predicament of either offending the cause he championed or making this country ridiculous in the eyes of the diplomatic world, for what could be more loutish than for the ruler of this country to undertake to instruct the representatives of every foreign government as to their personal habits?

SOME SUSPECT REVENGE

If it had been anybody but the soft-spoken, discreet, politic, and experienced ambassador of His British Majesty, the suspicion must arise that it was not as guileless as it appeared. Cynical folks, familiar with the diplomatic attitude, might even see in the incident a comeback for the episode of the Vice President's official hostess, wherein the administration, while protesting that it had no function of telling the ambassadors and ministers how they should seat their guests, indicated that it expected Mrs. Gann to have the seat of honor.

They have wrangled ever since. They complied, of course, but Sir Esme, as the diplomatic spokesman, managed to get in three times in one note that it was a provisional submission, setting no precedent, and only valid until such time as the United States should realize its responsibilities and set up some constituted agency to decide matters of precedence.

Had his excellency been a malevolent person instead of the gentlest soul that ever represented a great nation in a foreign land he could not have conceived a more adroit revenge than comes from his courteous reply to a respectful communication.

At this writing it is the understanding that the President will take the easiest way out and attempt no interference with the Scotch-and-soda habits of the depraved Britishers. It is a question whether this wise decision can be maintained when the dries begin to ferment and Congress takes the matter up.

BLEASE MOTION

There has been slumbering in the Foreign Relations Committee, Senator COLE BLEASE's resolution demanding the recall of all drinking envoys. The Carter-Howard correspondence will probably galvanize this mischievous measure into life. BLEASE could not resist such a chance. The South Carolina Senator, cheerfully explaining that he votes dry on his constituents' account, but drinks wet as opportunity offers, is horrified that foreigners should be able to do openly what good Americans can only do by stealth. Let the Anti-Saloon League get behind the bill and the dries will have to vote for it. Moreover, there will be recruits from the crowd that finds baiting the President the one joy of this extra session of Congress. These would be transfixed with delight at putting such an act up to President Hoover to veto. Fortunately for the dignity, though not for the gayety, of nations, the better subjugated House of Representatives can be depended on to check the process short of the ultimate, but there is due to be a lot of uncomfortable oratory on the subject meanwhile.

Suppose Tibet became independent, polyandry being one of the native customs—but why carry on the speculation any farther?

EMBASSY PARTIES

One immediate result would be that invitations to embassy dinners, now so eagerly sought for, would be a drug in the social market.

Actually the diplomatic liquor is the smallest item in the total of Volstead indulgence. The tales of its going into bootleg circles are fairy stories ninety-nine cases out of a hundred. The mysterious stranger who in broken English offers to supply you with embassy stuff gets his supplies from the same moonshine source that assuage the bulk of the great American thirst. At best he has a deal with a junk man for the empty bottles gathered at the legation back doors. The greatest harm that is done is the inciting of the plain people to a violation of the commandment forbidding envy.

This, however, does not alter the fact that Sir Esme Howard has given a great boost to the movement to stop those people from getting what we can't get. Probably he answered Mr. Carter, of Lynchburg, Va., with no deeper thought than a facile plea in avoidance, as the lawyers say. As time goes on he will be heralded as a convert to the dry gospel, and the Anti-Saloon League will point a mournful finger at Mr. Hoover's administration as having betrayed the faith.

Actually the foreigners have neither sympathy with nor understanding of the eighteenth amendment and the Volstead Act. It is whimsically suggested that there be organized in England "The Friends of American Freedom" to match "The Friends of Irish Freedom" that functioned on this side during the home-rule troubles. They make treaties with us to discourage the smuggling of liquor into this country

because we in compensation permit their wet liners to come into our ports, thereby giving them the cream of the passenger business, but brewing and distilling for the American market, is a thoroughly respectable and countenanced business with them.

WHAT WOULD HAPPEN

It is an interesting speculation to dream of what would happen if we insisted on the foreign diplomats complying with our law. The first question naturally is whether they would then patronize local bootleggers or put their own butlers into the lucrative trade. Not being subject to American legal processes the interrogatory arises whether our law could reach a bootlegger who was attached to a foreign legation, assuming that he was careful to take no customers outside the diplomatic corps? The envoy's baggage being exempt from examination, what would a customs official do if he encountered a leaking trunk, such as that which Congressman MICHAELSON's brother-in-law so heroically asserted ownership of on a recent occasion?

[From the Star, June 3, 1929]

SIR ESME LAUDED FOR LIQUOR STAND—MANUFACTURERS RECORD EDITOR TELLS ENVOY HIS OFFER WAS SERVICE TO UNITED STATES

The question of diplomatic liquor was again brought up to-day through publicity given a letter addressed to the British ambassador, Sir Esme Howard, commending him for his recently expressed willingness to refrain from exercising the privilege of importing liquors for the use of his diplomatic household.

"You have thus strengthened the ties between millions of American people who believe in prohibition and the Government which you so ably represent," Richard H. Edmonds, editor of the Manufacturers Record of Baltimore, declared in writing to the envoy. Sir Esme's now famous avowal to abolish liquor in the British Embassy, if so requested, caused other envoys in Washington to rise in defense of their diplomatic immunity and to take exception to his willingness to "waive" these rights, as expressed in a communication to James T. Carter, of Lynchburg, Va.

GREAT SERVICE SEEN

Doctor Edmonds's letter commenting on the envoy's action said in part:

"Your willingness to abolish in the British Embassy the use of intoxicating liquor as an expression of your interest in the desire to abide by the laws of this land if you should be so requested by the Government will command world-wide discussion; and though diplomatic usage will probably not justify such a request by this Government, you have, I am sure, rendered a very great service to the world-wide discussion of how to prohibit the use of intoxicating liquors, which have sent more men to the grave than even war itself, with all of its horror."

Mr. Edmonds made a defense of prohibition, quoting such industrial leaders as Henry Ford and the late Judge Gary, former chairman of the United States Steel Corporation, and Lord Leverhulme, one of England's greatest business leaders. He also pointed out that Robert Dollar, the steamship owner, has never permitted any of his ships to carry liquor.

NATIONAL-ORIGINS CLAUSE OF IMMIGRATION ACT

Mr. PATTERSON. Mr. President, I ask unanimous consent to have printed in the RECORD a letter received from the Hon. Charles Nagel, former Secretary of Commerce and Labor during the administration of President Taft, relating to the national-origins clause of the immigration act of 1924.

There being no objection, the letter was ordered to lie on the table and to be printed in the RECORD, as follows:

ST. LOUIS, May 29, 1929.

HON. ROSCOE PATTERSON,

United States Senate, Washington, D. C.

MY DEAR SENATOR PATTERSON: I feel that you will not take it amiss if I undertake to state to you my own position upon the question of national origin. For many years I have, contrary to the opinion of many people with whom I ordinarily agree, rather favored the restriction of immigration. My reason has been that the integrity of our institutions must be the first consideration. We can absorb a great many elements without danger and with advantage, but it does seem to me that we may introduce into our country elements that are not and for some period will not be in sympathy with the fundamental principles of our institutions in numbers so large as to actually present a problem and, perhaps, a danger.

I do not believe, however, that the national-origins statute in any satisfactory manner serves to carry out this fundamental idea. My reasons are these:

The general objection raised to this statute is that in result it works an obvious discrimination in favor of some countries and against others. I am frank to say that, to my mind, this objection is really sufficient because, without securing any particular advantage, the law does create ground for unrest, dissatisfaction, and racial controversy.

I am a member of the committee on immigration of the Chamber of Commerce of the United States, and that question has been under con-

sideration for a considerable period of time. The members of that committee represent different sections of our country, and, as I think it is safe to assume, approached the question without preconceived opinions. It is therefore rather remarkable that the conclusion against the national origins law—for the reason stated—was reached by unanimous vote of those present, two members being absent and not participating. At the annual meeting a few weeks ago in Washington that report was accepted by the committee on resolutions and was finally confirmed by the delegates at large without a single protest. I may say that this was not a perfunctory conclusion, because opportunity was given to the opposition for the fullest possible discussion in the committee on immigration and at the later stages of the proceeding.

My objection to the statute in question, however, goes farther. I feel that it is based upon assumptions that can not be sustained. It is admitted that no census can possibly give us a true picture of the origin and present composition of our people. The mere change of family names would be an insuperable obstacle. So much is accepted by the framers of the statute and they have therefore substituted the immigration records as a basis. In my opinion there are no such records, at least not for the better part of the last century, that give anything like a correct account of the nativity of immigrants. The shipping records would be equally unreliable. For illustration, the Pilgrims did not come from England but came from the Netherlands. If they are to be counted as Englishmen it will be because they came in an English ship. Carl Schurz and all his colleagues—who, perhaps, constituted the best element from Germany to this country—did not come direct from Germany, for obvious reasons.

If you will consult English authorities upon the question, you will find that the fallacy of the shipping records as a guide for immigration has been frankly recognized by them. I refer to Emigration from the United Kingdom to United States, 1763-1912, by Stanley C. Johnson, M. A. Publisher, George Routledge & Sons (Ltd.). See pages 100 and 101 and also 344-345. British Emigration to British North America, 1783-1837, by Helen I. Cowan, M. A. University of Toronto Library. See pages 234-235.

The second assumption is that having established the nativity of the original immigration in the manner just stated, the increase of these different stocks is assumed to have been in equal ratio. This assumption is manifestly untrue. The fact is just the opposite. The old stock has so obviously failed to sustain its ratio that it may be said that the very suggestion for this law is found in the desire to supply from a foreign country the shortage of the original stock in our own. If the reason for the law had been badly stated in that fashion, it would be truthful and might have some merit.

But if the purpose is to supply from abroad the shortage which exists in our country in the original stock, I submit to you that the plan can not accomplish the desired result. The fact is that Great Britain is in no position to supply Anglo-Saxons to this country, and that, after all, is what the statute is supposed to accomplish. Great Britain is just as short of Anglo-Saxons as we are. She has been a cradle of liberty for a very long period of time and, in truth, the British people are now as mixed a race as can be found on earth. A mere reading of her own distinguished men and women during the war and since then will show how heavy a percentage of her leaders is not drawn from the old stock which we generally have in mind. If Great Britain is to supply her quota, it will not be drawn from the Anglo-Saxon branch but it will come from those sections of her country which, in population, are composed very much as our congested districts are, of representatives of the different peoples that have found refuge there.

I am persuaded, therefore, that the law as it has been written is not based upon truth, and therefore not upon wisdom. I am persuaded also that if this law is retained it will create, and as I think justly, very great antagonism among our own people. It must be remembered that Mr. Hoover, as Secretary of Commerce, declared that the law could not be satisfactorily carried out. As candidate for President he declared frankly against it. That position on his part was accepted by a great many voters as an important factor in the determination of their position. I for one could not agree with Mr. Hoover about some of his planks, and unreservedly said so. His position upon this question disclosed an attitude of mind which particularly appealed to me, and I accepted it as one ground for my support of him. I feel that that question was fairly submitted at the last election and constituted a determining factor in the popular decision. Apart from all other reasons against that law, I feel that disregard of a principle so deliberately submitted and decided would now constitute very serious cause for unrest, dissatisfaction, and protest.

I am, very sincerely yours,

CHARLES NAGEL.

THE NAVAL RESERVE IN 1930

Mr. HALE. Mr. President, from the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 61) to amend the appropriation "Organizing the Naval Reserve, 1930," and I submit a report (No. 26) thereon. I ask unanimous consent for the immediate consideration of the joint resolution.

The VICE PRESIDENT. The joint resolution will be read for the information of the Senate.

The Chief Clerk read the joint resolution (H. J. Res. 61), as follows:

Resolved, etc., That the provision in the appropriation "Organizing the Naval Reserve, 1930," reading "exclusive, however, of pay, allowances, or other expenses on account of members of any class of the Naval Reserve incident to their being given flight training unless, as a condition precedent, they shall have been found by such agency as the Secretary of the Navy may designate qualified to perform combat service as pilots of naval aircraft," is hereby amended to read as follows: "exclusive, however, of pay, allowances, or other expenses on account of members of any class of the Naval Reserve incident to their being given flight training unless, as a condition precedent, they shall have been found by such agency as the Secretary of the Navy may designate physically and psychologically qualified to serve as pilots of naval aircraft."

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. KING. Mr. President, before giving my consent I should like to have an explanation of the purpose of the joint resolution.

Mr. HALE. When the last annual naval appropriation bill was before Congress the House cut out an item of \$32,000 that was recommended by the Budget for the training of certain men in the reserve. These were older pilots, men over 35 years of age. The House thought it was not advisable to give them flight training. The Senate put back the item. When it came to conference, at the suggestion of the House, we incorporated the following language:

Exclusive, however, of pay, allowances, or other expenses on account of members of any class of the Naval Reserve incident to their being given flight training unless, as a condition precedent, they shall have been found by such agency as the Secretary of the Navy may designate qualified to perform combat service as pilots of naval aircraft.

It has since been found that if that provision stays in the law no student aviators may be trained because they can not qualify for combat service until they become pilots. The joint resolution changes the wording so as to provide as follows:

Exclusive, however, of pay, allowances, or other expenses on account of members of any class of the Naval Reserve incident to their being given flight training unless, as a condition precedent, they shall have been found by such agency as the Secretary of the Navy may designate physically and psychologically qualified to serve as pilots of naval aircraft.

Unless this is adopted the flight training of all the student aviators in the reserve, and there are about 209, will cease on July 1, and I am sure the Senate does not want that.

Mr. KING. Mr. President, I should like to ask the Senator whether the joint resolution makes an increase in the appropriation?

Mr. HALE. No. There is nothing in it having to do with any increase in appropriation.

Mr. KING. It is merely to make eligible for certain service persons who are now ineligible?

Mr. HALE. Yes. They are ineligible simply on account of a mistake made by the conferees.

Mr. KING. I have no objection.

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ADMIRAL WILLIAM P. MAGRUDER

Mr. KING. Mr. President, I desire to ask the Senator from Maine [Mr. HALE] a question. I understood at the last session of Congress that the Committee on Naval Affairs attempted to investigate or was considering the question of investigating Admiral Magruder's punishment because of having written an article for one of the leading journals of the United States criticizing the naval administration and the improper or extravagant expenditures. Did the committee make such an investigation?

Mr. HALE. I do not recall that any resolution to that effect was referred to the committee. The Senator from Utah probably knows.

Mr. KING. I understood that of its own motion, because there was a great deal of feeling throughout the country that Admiral Magruder had been improperly dealt with, the committee intended or proposed to make an investigation. Does the Senator know whether Admiral Magruder is still unanswered?

Mr. HALE. I can not say.

Mr. KING. I shall later offer a resolution asking the committee to make inquiry into the facts concerning the punishment of Admiral Magruder and the reason why he is not assigned to duty.

PRINTING OF PROCEEDINGS AT UNVEILING OF STATUE OF WADE HAMPTON

Mr. MOSES. Mr. President, from the Committee on Printing I report back favorably without amendment the concurrent resolution (S. Con. Res. 13), submitted by Mr. SMITH on the 3d instant, and I ask unanimous consent for its present consideration. I may say that it is the customary resolution in matters of this sort.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was read, considered, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed with illustrations, and bound, the proceedings in Congress, together with the proceedings at the unveiling in Statuary Hall, upon the acceptance of the statue of Wade Hampton, presented by the State of South Carolina, 5,000 copies, of which 1,000 shall be for the use of the Senate and 2,500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of South Carolina.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be bound with these proceedings.

THE CONGRESSIONAL RECORD

Mr. WALSH of Massachusetts. Mr. President, two measures have been under consideration by the Committee on Printing dealing with the subject of increasing the number of copies of the CONGRESSIONAL RECORD to be printed and distributed. The first bill was introduced by the Senator from Alabama [Mr. HEFLIN]. It was similar to his bill which passed the Senate in the last session.

The Committee on Printing has given the whole subject considerable study. The result is that the committee thought a new bill should be drafted which would perhaps more fully accomplish the desired purpose and meet the needs of the future. I was directed by the Committee on Printing to report back the new bill (S. 1312), prepared by the committee and later introduced by the Senator from Alabama [Mr. HEFLIN], to amend sections 182, 183, and 184 of chapter 6 of title 44, of the United States Code, approved June 30, 1926, relative to the printing and distribution of the CONGRESSIONAL RECORD, and I submit a report (No. 27) thereon. I shall ask unanimous consent for its immediate consideration; but before doing so I ask that a brief report accompanying the bill may be read at the desk for the information of the Senate because it indicates the changes proposed in the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read the report for the information of the Senate.

Mr. HEFLIN. Mr. President, before the report is read I wish to say that the changes made in the bill are entirely satisfactory to me. There are some departments in the Government that ought to receive the RECORD and they had been overlooked. As the bill is now drawn it will include the various departments of the Government among those who are to receive the RECORD and will increase the number of copies of the RECORD to be printed.

The VICE PRESIDENT. The clerk will read the report. The Chief Clerk read as follows:

Mr. WALSH of Massachusetts, from the Committee on Printing, submitted the following report (to accompany S. 1312):

The Committee on Printing, to whom was referred the bill (S. 1312) entitled "A bill to amend sections 182, 183, and 184 of chapter 6 of Title 44, of the United States Code, approved June 30, 1926, relative to the printing and distribution of the CONGRESSIONAL RECORD," having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

This measure is a codification of the present law relating to the printing and distribution of the CONGRESSIONAL RECORD and also provides that the copies now being delivered daily to various officers of Congress for official use, upon requisition of the Secretary of the Senate and Clerk of the House issued each year, shall be furnished by law.

The principal change proposed by this measure is to increase the number of daily RECORDS allotted to each Senator from 88 to 150 copies and to each Member of the House from 60 to 85 copies. It also provides that the libraries of those executive departments and independent offices not receiving the RECORD under the printing act of 1895, and such other Government agencies as may be hereafter created, shall be

entitled to copies by statute and not be compelled to buy the necessary copies required for reference use in their libraries.

The committee has ascertained that many Members of Congress mail out their entire allotment of daily RECORDS and, consequently, do not have any bound copies left for distribution, as the present law provides that only Members having copies of the daily edition remaining to their credit may obtain the residue of their quota in bound form. This bill specifically provides that eight copies of the bound edition shall be allotted to each Senator and five copies to each Member in addition to the allocation made of the daily edition.

In the event that the demands made upon Members of Congress should be great enough to necessitate a daily edition of 27,500 copies, the Public Printer estimates that the cost to furnish this number during a short session of 74 days will be \$114,770.30, and for a long session of 175 days, \$271,416.25.

Mr. KING. Mr. President, I hope the Senator will not ask for the consideration of the bill at this time.

The VICE PRESIDENT. The bill will go to the calendar.

Mr. HEFLIN. Mr. President, a bill precisely similar to this has already passed the Senate at the last session. It is very necessary to get it through the Senate again as soon as possible, so that the House may also pass it, and we may have the additional copies of the CONGRESSIONAL RECORD for distribution at the beginning of the next session of Congress. A good deal of machinery will have to be put into operation after the bill shall have been enacted. The bill has been unanimously reported by the committee. I hope the Senator from Utah will let the bill pass.

Mr. COPELAND. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from New York?

Mr. HEFLIN. I yield.

Mr. COPELAND. I find myself almost always in opposition to the Senator from Alabama, and usually in harmony with the Senator from Utah, but I do hope that this bill may be passed.

To me it is a matter of great surprise sometimes, and always of interest, to note how many people want the CONGRESSIONAL RECORD and who actually read it. I believe it is a very valuable publication, and I wish it might go into every home in America. Certainly, however, at least this limited additional number of copies, in my judgment, should be provided, so that some of the demands, at least, may be satisfied.

Mr. DILL. Mr. President, I am very anxious to see this proposed legislation enacted. I am amazed at the small increase in cost in comparison with the results to be attained. Every Senator probably has had the experience I have had of almost every day being compelled to refuse somebody a request for a copy of the CONGRESSIONAL RECORD. I believe the RECORD is read, and I think it is highly desirable that the number distributed shall be increased.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. KING. Mr. President, the reason why I interposed an objection at this time to the consideration of the bill was because I had hoped that when this matter was being considered we might consider also the question of what shall go into the CONGRESSIONAL RECORD. Many people have complained to me about the voluminousness of the RECORD. It seems to be a sort of—I shall not use an offensive term such as “dumping ground”—but a burying ground for editorials, articles, speeches, and addresses from all parts of the country, and relating to every conceivable subject. I have received a good many letters inquiring as to the reason why there is printed in the RECORD such a great variety of extraneous matter. If the committee having charge of the subject will consider the question as to what shall go into the RECORD, I shall have no objection to the consideration of this measure.

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. KING. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. I will say, for the information of the Senator from Utah, that the Committee on Printing has been considering the very subject matter which the Senator has presented, and is in complete accord with his criticism and observations. The RECORD is becoming too cumbersome and the privilege of its uses abused. The committee feels that we are likely to meet with a situation which will result in a stringent rule being proposed by the House unless something shall be done to curtail the number of editorials, personal letters, articles, and speeches by outsiders that are inserted in the RECORD in the Senate. We are of the opinion that the House has been very considerate of the rule as to printing in the RECORD, and the laxity upon the part of the Senate in putting so many extraneous matters into the RECORD is regrettable and will cer-

tainly result in some drastic rule relative thereto. I hope Senators will not make it necessary for the Committee on Printing to propose any such rule, but will of their own volition use discretion and judgment as to the matters which they offer for printing in the RECORD. Senators should take pride in helping to make the RECORD a concise report of the proceedings of the Congress and not a conglomeration of extraneous and personal activities of Senators and their friends.

I will say again to the Senator from Utah that the matter which he has very appropriately called to the attention of the Senate will be further considered by the Committee on Printing.

Mr. KING. Mr. President, I have accomplished the purpose which I had in mind, namely, to challenge attention to a matter which I think deserves consideration. I shall not, therefore, object to the consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1312) to amend sections 182, 183, and 184 of chapter 6 of title 44 of the United States Code, approved June 30, 1926, relative to the printing and distribution of the CONGRESSIONAL RECORD, which was read, as follows:

Be it enacted, etc., That sections 182, 183, and 184 of chapter 6 of title 44 of the United States Code, approved June 30, 1926, be amended to read as follows:

SEC. 182. CONGRESSIONAL RECORD, indexes: The Joint Committee on Printing shall designate to the Public Printer competent persons to prepare the semimonthly and session index to the CONGRESSIONAL RECORD and shall fix and regulate the compensation to be paid by the Public Printer for the said work and direct the form and manner of its publication and distribution.

SEC. 183. CONGRESSIONAL RECORD; daily and permanent forms: That the public proceedings of each House of Congress, as reported by the official reporters thereof, shall be printed in the CONGRESSIONAL RECORD, which shall be issued in daily form during each session and shall be revised, printed, and bound, as may be directed by the Joint Committee on Printing, in permanent form, promptly at the close of each session. The daily and permanent RECORD shall bear the same date, which shall be that of the actual day's proceedings reported therein.

Same; illustrations, maps, diagrams, etc.: No maps, diagrams, or illustrations may be inserted in the RECORD without the approval of the Joint Committee on Printing. All requests for such approval should be submitted to the Joint Committee on Printing, through the chairman of the Committee on Printing on the part of the Senate or of the House, in which the speech desired to be illustrated is delivered, and no maps, diagrams, or illustrations may be inserted that exceed in size a page of the RECORD.

Same; gratuitous copies; distributions: The Public Printer shall furnish the CONGRESSIONAL RECORD as follows and shall furnish gratuitously no others in addition thereto:

Of the bound edition to the folding room of the Senate not to exceed eight copies for the Vice President and each Senator, and to the folding room of the House of Representatives not to exceed five copies for each Representative, Delegate, and Resident Commissioner; to the Secretary and Sergeant at Arms of the Senate, each two copies; and to the Clerk, Sergeant at Arms, and Doorkeeper of the House, each two copies.

Of the daily edition to the Vice President and each Senator, not to exceed 150 copies; to the Secretary and Sergeant at Arms of the Senate, each 20 copies; to the Secretary, for office use, 25 copies; and to the Sergeant at Arms for use on the floor of the Senate, 50 copies.

To each Representative, Delegate, and Resident Commissioner, not to exceed 85 copies; to the Clerk, Sergeant at Arms, and Doorkeeper of the House of Representatives, each 20 copies; to the Clerk, for office use, 35 copies; and to the Doorkeeper for use on the floor of the House of Representatives, 75 copies.

To the Vice President and each Senator, Representative, Delegate, and Resident Commissioner, there shall be furnished (and shall not be transferable) three additional copies of the daily RECORD, of which one shall be delivered at his residence, one to his office, and one at the Capitol.

All copies of the daily edition shall be supplied and delivered promptly on the day after the actual day's proceedings as originally published. Each order for the daily RECORD shall begin with the current issue thereof, if previous issues of the same session are not available.

There shall be printed and held in reserve by the Public Printer, in unstitched form, as many copies of the daily RECORD as may be required to supply a semimonthly edition for distribution as hereinafter provided, which shall be bound in paper cover together with each semimonthly index when the same is issued and shall be delivered promptly and without delay.

In addition to the foregoing the CONGRESSIONAL RECORD shall be furnished as follows:

To each committee of Congress, one daily and one semimonthly copy.

To each Senator, Representative, Delegate, and Resident Commissioner, one semimonthly copy.

To the President of the United States, for use of the Executive Office, 10 copies of the daily and 1 bound copy.

To the Chief Justice and each of the Associate Justices of the Supreme Court of the United States, one copy of the daily.

To the marshal and clerk of the Supreme Court, for office use, 2 copies of the daily, 1 semimonthly copy, and 1 bound copy.

To the office of the Vice President and the Speaker of the House of Representatives, each, 4 copies of the daily and 1 semimonthly copy.

To the Sergeant at Arms, the Chaplain, the Postmaster, the superintendent and foreman of the folding room of the Senate and House, respectively, and to the two Assistant Sergeants at Arms of the Senate, each, 1 copy of the daily.

To the Official Reporter of the Senate and each of his assistant reporters, and to the Official Reporters of Debates of the House, and the assistant, each, 2 copies of the daily, 1 semimonthly copy, and 3 bound copies to each of these offices.

To the stenographers to committees of the House, 4 copies of the daily and 1 semimonthly copy.

To the offices of the superintendent of the Senate and House document rooms, each, 3 copies of the daily, 1 semimonthly copy, and 1 bound copy.

To the superintendent of the press gallery of the Senate and House, for office use, each, 2 copies of the daily, 1 semimonthly copy, and 1 bound copy.

To the offices of the Legislative Counsel of the Senate and House, and to the Architect of the Capitol, each, 3 copies of the daily and 1 semimonthly copy.

To the Senate and House libraries, each, 3 copies of the daily, 2 semimonthly copies, and not to exceed 15 bound copies.

To the Library of Congress, for international exchange, 125 copies, in both daily and bound form, and for office use in Washington, D. C., 20 copies, in both daily and bound form, and 5 semimonthly copies.

To the library of each executive department, independent office, or establishment of the Government now in Washington, D. C., or which may be hereafter created except those designated as depository libraries; and to the library of the Naval Observatory and the Smithsonian Institution, each, 2 copies of the daily, 1 semimonthly copy, and 1 bound copy.

To the office of the Governor General of the Philippine Islands at Manila, 10 copies in both daily and bound forms.

To the offices of the Governors of Alaska, Hawaii, and Porto Rico, five copies in both daily and bound forms.

To each ex-President and ex-Vice President of the United States, one copy of the daily.

To the governor of each State, one copy in both daily and bound forms.

To the Soldiers' Home and to each of the National Homes for Disabled Volunteer Soldiers, and to each of the State soldiers' homes now established or which may be hereafter created for either Federal or Confederate soldiers, one copy of the daily.

To the Superintendent of Documents, as many bound copies as may be required for distribution to depository libraries.

To each of our legations abroad, one copy of the daily, to be sent through the Secretary of State.

To each foreign legation in Washington whose government extends a like courtesy to our legations abroad, one copy of the daily, to be sent through the Secretary of State and furnished upon his requisition.

To each newspaper correspondent whose name appears in the Congressional Directory, and who makes application therefor, for his personal use and that of the paper or papers he represents, one copy of the daily and one copy of the bound, the same to be sent to the office address of each member of the press or elsewhere as he may direct: *Provided*, That not to exceed four copies in all shall be furnished to members of the same press bureau.

The Public Printer is authorized to furnish to subscribers the daily Record at \$8 for the long and \$4 for the short session, or \$1.50 per month, payable in advance. The "usual number" of the CONGRESSIONAL RECORD shall not be printed.

SEC. 2. That all acts or parts of acts inconsistent with this act are hereby repealed.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ADDITIONAL COMPENSATION FOR MAIL TRANSPORTATION BY RAILROADS

Mr. WARREN. From the Committee on Appropriations I report back favorably, without amendment, the joint resolution (H. J. Res. 82) making appropriations for additional compensation for transportation of the mail by railroad routes in accordance with the increased rates fixed by the Interstate Commerce Commission, and I submit a report (No. 25) thereon. I ask unanimous consent for the immediate consideration of the joint resolution, which I ask may be read.

The joint resolution was read, as follows:

Resolved, etc., That to enable the Postmaster General to provide for the additional compensation due various railroad companies for inland transportation of mails in accordance with the increased rates fixed by the Interstate Commerce Commission in case 9200, under orders dated December 8, 1925; January 5 and March 2, 1927; July 10, 1928; and February 9, 1929, the same being retroactive, the following sums are appropriated, out of any money in the Treasury not otherwise appropriated:

For the inland transportation of mails by railroad routes for the fiscal years 1924 to 1929, inclusive, \$39,000,000; and in addition to such sum there is hereby made available so much as may be necessary of the unexpended balances of the appropriations for inland transportation of mails by railroad routes for the fiscal years 1927 and 1928.

For payment of the judgments rendered by the Court of Claims and reported to the Seventy-first Congress in House Document No. 18, as follows: Under the Post Office Department, exclusive of interest as and where specified in any of such judgments, \$3,997,089.50.

Provided, That any sums paid to a railroad company from the amounts made available by this joint resolution shall be considered for income-tax purposes as income for the taxable year in which such payment is actually received by such company: *Provided further*, That no part of the appropriations made available by this joint resolution shall be paid to any such company which does not waive all interest and claims for interest upon the principal amounts found to be due such company.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. KING. Mr. President, is that the measure which provides for an appropriation of something like \$45,000,000?

Mr. WARREN. The joint resolution provides for an appropriation to cover the finding of the Supreme Court of the United States, and, pursuant to negotiations between the Post Office Department and the railroads, it is necessary that payment be made before the 1st of July, in order to avoid the payment of quite a large amount of interest.

Under the decision of the Supreme Court, \$39,000,000 must be appropriated as additional compensation for the inland transportation of mails by railroad routes, and, in addition, there must be appropriated \$3,997,089.50 to pay judgments rendered by the Court of Claims. So the joint resolution involves nearly \$43,000,000.

The joint resolution is properly safeguarded in respect to the payment of income taxes by the railroads, and provides that the amount paid to the railroads under the joint resolution shall be considered for income-tax purposes as income for the taxable year in which such payment is actually received. The railroad companies get the benefit of having the amount paid in a lump-sum settlement rather than from time to time. On the other hand, the United States gets a substantial benefit by eliminating the item of interest, and so forth.

Mr. KING. Mr. President, I shall not object to the consideration of the joint resolution, but I wish to emphasize the point which I attempted to make when a former appropriation bill was under consideration. It was conceded then that the amount received by the Post Office Department from its activities was entirely inadequate to meet the expenses of the operations of the department, so that there was a growing deficit. Promises have been made from time to time that the deficit would be provided for by suitable adjustment of rates upon parcels post, upon letters, and so forth, carried by the department, but the evidence now is that not only is the deficit large as it is, unprovided for, but is very much greater than was stated.

The appropriation proposed by the joint resolution is approximately \$45,000,000. It is apparent that the deficit in the Post Office Department will approximate for the fiscal year from \$60,000,000 to \$80,000,000. It does seem to me, in the face of this situation, that there should be some readjustment of the rates, so that this deficit shall not be continued.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ENLARGEMENT AND RELOCATION OF BOTANIC GARDEN

Mr. WARREN. From the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 84) extending until June 30, 1930, the availability of the appropriation for enlarging and relocating the Botanic Garden. The joint resolution does not involve any further appropriation of money, and I ask unanimous consent that it may be considered at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Resolved, etc., That the appropriation "Enlarging and relocating Botanic Garden, 1928 and 1929," contained in the deficiency appropriation act approved December 22, 1927, is hereby continued and made available for the same purposes during the fiscal year ending June 30, 1930.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

INVESTIGATION OF COMMUNICATION SERVICES

Mr. COUZENS. From the Committee on Interstate Commerce, I report back favorably with an amendment Senate Resolution 80, to investigate certain matters relating to power and communications in interstate and foreign commerce. I ask that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, and that that committee give it prompt attention, so that it may be dealt with before the contemplated recess.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

IMPROVEMENT OF INDIAN CONDITIONS IN ARIZONA (S. DOC. NO. 16)

Mr. FLETCHER. Mr. President, some communications, letters, and documents have been submitted to the Committee on Printing by the junior Senator from Arizona [Mr. HAYDEN]. The committee reports unanimously in favor of printing this material. I therefore report from the Committee on Printing an original resolution providing for such printing and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 84) was considered by unanimous consent and agreed to, as follows:

Resolved, That the manuscript entitled "Letters Containing Recommendations Submitted by Various Committees of Citizens for the Improvement of Conditions on Indian Reservations and at Indian Schools in the State of Arizona" be printed as a Senate document.

WORKING CONDITIONS IN SOUTHERN TEXTILE MILLS

Mr. HALE, from the Committee on Manufactures, to which was referred the resolution (S. Res. 49) authorizing the Committee on Manufactures, or any duly authorized subcommittee thereof, to investigate immediately the working conditions of employees in the textile industry of the States of North Carolina, South Carolina, and Tennessee, reported it with amendments and submitted a report (No. 28) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COUZENS:

A bill (S. 1351) to regulate interstate commerce by motor vehicles operating as common carriers of persons on the public highways; to the Committee on Interstate Commerce.

By Mr. PATTERSON:

A bill (S. 1352) granting an increase of compensation to William H. Ohnsorg and Ida May Ohnsorg; to the Committee on Finance.

A bill (S. 1353) for the relief of the Franklin Ice Cream Corporation, successor of the Franklin Ice Cream Co.; to the Committee on Claims.

A bill (S. 1354) granting a pension to William A. Cox;

A bill (S. 1355) granting a pension to Jennie Glass;

A bill (S. 1356) granting a pension to Benjamin H. Smith;

A bill (S. 1357) granting an increase of pension to Sarah A. Hawkins;

A bill (S. 1358) granting an increase of pension to Christopher S. Alvord;

A bill (S. 1359) granting an increase of pension to Thomas H. Bradley;

A bill (S. 1360) granting a pension to Joseph F. Dorgan;

A bill (S. 1361) granting a pension to Willis Buris;

A bill (S. 1362) granting a pension to Emmet Self; and

A bill (S. 1363) granting an increase of pension to Parelee Moore; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 1364) for the relief of H. B. Berry; to the Committee on Military Affairs.

By Mr. HARRIS:

A bill (S. 1365) for the relief of Mary Banks Wilson; and

A bill (S. 1366) for the relief of Lieut. Col. Fred W. Boschen; to the Committee on Claims.

By Mr. WAGNER:

A bill (S. 1367) for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B.

Parse, A. N. Blanchard, and W. A. Blanchard; to the Committee on Claims.

By Mr. WALCOTT:

A bill (S. 1368) granting an increase of pension to Melissa Loucks (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 1369) granting an increase of pension to Maggie Johnson (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 1370) granting a pension to Nancy Elizabeth Baskins (with accompanying papers); to the Committee on Pensions.

By Mr. PHIPPS:

A bill (S. 1371) authorizing the Southern Ute and the Ute Mountain Bands of Ute Indians, located in Utah, Colorado, and New Mexico, to sue in the Court of Claims; to the Committee on Indian Affairs.

By Mr. FRAZIER:

A bill (S. 1372) authorizing an appropriation for payment of claims of the Sisseton and Wahpeton Bands of Sioux Indians; to the Committee on Indian Affairs.

By Mr. HAWES:

A bill (S. 1373) granting an increase of pension to Frances E. McDonald (with accompanying papers); to the Committee on Pensions.

EQUAL RIGHTS FOR MEN AND WOMEN

Mr. NYE. I introduce a joint resolution proposing an amendment to the Constitution of the United States and ask that it may be read and properly referred.

The joint resolution (S. J. Res. 52) proposing an amendment to the Constitution of the United States relative to equal rights for men and women was read the first time by its title and the second time at length, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE XX

"Men and women shall have equal rights throughout the United States and every place subject to its jurisdiction.

"Congress shall have power to enforce this article by appropriate legislation."

The VICE PRESIDENT. The joint resolution will be referred to the Committee on the Judiciary.

REGULATION OF WIRE AND WIRELESS COMMUNICATIONS

Mr. COUZENS submitted an amendment intended to be proposed by him to the bill (S. 6) to provide for the regulation of the transmission of intelligence by wire or wireless, which was referred to the Committee on Interstate Commerce and ordered to be printed.

AMENDMENT TO TARIFF BILL—ARTICLES EXPORTED, IMPROVED, AND THEN IMPORTED

Mr. FLETCHER submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENT TO TARIFF BILL—PROPOSED REPEAL OF SECTION 112 OF THE REVENUE ACT OF 1928

Mr. McKELLAR submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was referred to the Committee on Finance and ordered to be printed.

WAR-TIME RANK TO CERTAIN ARMY OFFICERS

Mr. TYDINGS submitted an amendment intended to be proposed by him to the bill (S. 414) to give war-time rank to certain officers on the retired list of the Army, which was referred to the Committee on Military Affairs and ordered to be printed.

He also submitted an amendment intended to be proposed by him to the bill (S. 465) to give war-time rank to officers and former officers of the United States Army, which was referred to the Committee on Military Affairs and ordered to be printed.

OPEN EXECUTIVE SESSIONS

Mr. NORRIS submitted an amendment intended to be proposed by him to the resolution (S. Res. 19) to amend paragraph 2 of Rule XXXVIII, relating to proceedings on nominations in executive session, which was, on page 1, commencing with line 5 of said resolution, to strike out the balance of the resolution and in lieu thereof insert the following:

Nominations and treaties shall be considered in open executive session unless the committee reporting on any nomination or treaty shall recommend that such nomination or treaty be considered in closed executive session. When the Senate is considering any nomination or treaty in closed executive session it shall be in order to move that the same be considered in open executive session, and if any such motion is decided in the affirmative by majority vote, then the further consideration of such nomination or treaty shall be in open executive session. All roll calls in closed executive session, together with a statement of the question upon which such roll calls are had shall be published in the Record. When in the consideration of any nomination by a committee charges shall be made against the nominee, the committee may, in its discretion, notify such nominee thereof, and the evidence taken at any hearing had thereon shall be reported to the Senate. The fact that a nomination has been made or that it has been confirmed or rejected shall not be regarded as a secret.

"THE HUMAN SCRAP HEAP"

Mr. WAGNER. Mr. President, I ask permission to have printed in the RECORD an article appearing in the May issue of the Railway Post Office entitled "The Human Scrap Heap," by Henry J. Ziehr.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Railway Post Office May, 1929]

"THE HUMAN SCRAP HEAP"

By Henry J. Ziehr, president New York City branch

Considerable discussion has prevailed of late in various newspapers and periodicals throughout the country on the present theoretical dead line as to a man's usefulness. The American Federation of Labor has also taken up the question, and no doubt will energetically press it in the months to come. It appears that the idea has taken root in the minds of far too many of the employers of labor that a man, in general, has outlived his usefulness for a livelihood after he has turned the age of 40 or 45. If this idea is not soon dealt with in some comprehensive way it may yet become a serious question. The idea itself is a fallacy and has no place in our American scheme of principles and ideals, where it has always been one of our most cherished thoughts that it was the right and privilege of each and every man to work and earn his livelihood. That is and has been one of the very foundations of Americanism as taught and practiced by our forefathers, and it should continue just so long as our system of government endures.

It may be true that with the passing of time we are faced with new problems, ideas, and evolutions as to man in relation to his work. The world is progressing with almost lightning rapidity. Advanced education, new inventions, and improved methods have all had the tendency to speed up production and displace man power with machinery. Nevertheless, a country such as ours, with untold wealth and unlimited industries, professions, and sundry opportunities, should ever have room for men in the prime of life to earn their daily hire. The average man at 45 has attained a period in life when employment is most vital to him. He has then passed through those most trying years of having established his permanent home, and given his children an education and training to enable them to also face the world's serious problems on their own initiative. As a reward therefor should he be thrown into the "human scrap heap" when he can still carry on? Mathematicians and efficiency experts are constantly reminding us that modern science has and is prolonging the longevity of human life, and if that holds true, then the age limit of a man's capacity to work should certainly not be reduced to as low as 45, and "old age" should not be considered as a matter of 40 or 50 years.

HEAVY RESPONSIBILITIES BORNE BY MEN BEYOND 50

The history of outstanding individual accomplishment will indicate that men beyond 50 have borne some, if not most, of the world's heaviest responsibilities, and have solved from time to time the most difficult and perplexing problems of destiny. Can there be a more burdensome responsibility than that of being Chief Executive of our United States, especially those of our Presidents who presided over the Nation's destinies in the time of our wars, and yet with only one exception these men all were elected to that high office at an age beyond 50? How many of the allied generals of the World War were younger than half a century? How many of the White House Cabinet to-day are only 45? Possibly only one, and they are all men responsible to efficiently represent the millions of our population.

President Hoover in New York recently spoke of the serious and apparent spreading of crime. I do not venture, with my small, limited ability, to solve so vast a problem, but I believe that I can safely say that at least one contributing cause of a man's downfall would be a premature enforced idleness. Just so long as a man has his daily task to perform, just so long will he be an asset to progress. Force him into early idleness, and his thoughts will drift into other less useful channels. If this idleness becomes indefinite to the point where his finances are menaced, then he may soon face the inevitable, either the poorhouse,

theft, crime, or any of its subsequent consequences, if his will power weakens for a moment, as it might in times of trial.

QUESTION APPLIED TO RAILWAY MAIL SERVICE

Now, what has all this to do with a railway postal clerk? I have been thinking of this question in relation to our retirement law. I do not believe that the average clerk would want to leave his job at the early age of 45. But if 45 is becoming recognized as the dead line of usefulness, then why the retirement age in our service of 62? It should certainly be reduced to a more fair average. Accepting for a moment insurance statistics that the average age of expectancy is about 55 to 58, then the average clerk is still slated for from four to seven years of service beyond the death average. In other branches of the classified service a man's retirement is even more prolonged. Here we have the two extremes as to a man's capacity to live and work—uselessness at 45 as falsely considered on the one hand, and belated Government retirement at from 62 to 70 on the other hand.

There are many solutions that might be suggested or applied. For instance, the Department of Commerce for years has standardized production in all its branches. Shovels, nuts, screws, and what not have been reduced from thousands of kinds, sizes, and shapes to a necessary limited and useful number. Why not now give a thought to standardize in a humane way the welfare of the hands of production and establish a nation-wide 44-hour week or its equivalent, a living or rather a saving wage to every man for an honest day's work, and at least a reasonable assurance that a man of 45 has not reached his "old age" of usefulness (recognizing as well that life on earth is not eternal) by retirement at 58? This, as a Government standard to its postal employees, might well be a fitting example to other industries and employers at large. By its beneficial results, if nothing else, it would prove a good investment.

PROTESTS AGAINST PROPOSED TARIFF RATES

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 82) submitted by Mr. THOMAS of Oklahoma May 31, 1929, as follows:

Whereas foreign governments have filed with the Secretary of State protests against the enactment of certain schedules and rates proposed in the pending tariff bill: Therefore be it

Resolved, That the Secretary of State be, and he is hereby, requested to transmit such protests and communications now on file or which may hereafter be received, together with the comments or reports thereon from the Secretary of the Treasury, to the Finance Committee.

The VICE PRESIDENT. The question is on agreeing to the resolution.

Mr. SMOOT. Mr. President, I should like to have the resolution go over for the day.

The PRESIDENT pro tempore. The Chair will say to the Senator from Utah that the resolution has already gone over for a day under the rule, and this morning was handed down by the Vice President as a resolution coming over from a previous day.

Mr. SMOOT. I did not know that.

The PRESIDENT pro tempore. It is in order for the Senator to move to refer it to a committee.

Mr. SMOOT. I am aware of that, but I do not want to make such a motion. I am going to ask the Senator from Oklahoma to allow the resolution to go over for the day because I have not secured the information regarding it which I desire. I did not know the resolution was coming up to-day.

The PRESIDENT pro tempore. Is there objection to the resolution going over for a day?

Mr. THOMAS of Oklahoma. Mr. President, the only purpose I have in mind is to get these data from the Secretary of State. Personally, I should like to see them. However, if I can have some assurance that the protests, whatever they may be, will be obtained for the committee, and the members of the committee will have an opportunity to examine the protests, I shall have no objection to the resolution going over for the day.

Mr. SMOOT. Then, let me suggest to the Senator, who is a member of the Committee on Finance, that the resolution be referred to that committee, and I will call the committee together just as quickly as possible.

Mr. THOMAS of Oklahoma. That is entirely satisfactory. The PRESIDENT pro tempore. The resolution will go over.

Mr. SMOOT. No, Mr. President; it should be referred to the Committee on Finance.

The PRESIDENT pro tempore. On the motion of the Senator from Utah?

Mr. SMOOT. No; by unanimous consent.

The PRESIDENT pro tempore. Without objection, the resolution will be referred to the Committee on Finance.

INTERNATIONAL PAPER AND POWER CO.

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The Chief Clerk read the resolution (S. Res. 64) submitted by Mr. WALSH of Montana on May 22, 1929, as follows:

Resolved, That the report transmitted to the Senate by the Postmaster General pursuant to Senate Resolution 53, Seventy-first Congress, first session, be, with the report of the Federal Trade Commission to the Senate pursuant to Senate Resolution 83, Seventieth Congress, first session, No. 14, filed May 15, 1929, forwarded by the Secretary of the Senate to the Attorney General for such action as may be appropriate by the Department of Justice, and that the Attorney General be requested to advise the Senate what legislation, if any, is necessary in his judgment to make completely effective the provisions of the second paragraph of section 2 of the act approved August 24, 1912.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

PUBLIC HEARINGS ON TARIFF BILL

The PRESIDENT pro tempore. The Chair lays before the Senate another resolution coming over from a previous day, which will be read.

The Chief Clerk read Senate Resolution 78, submitted by Mr. LA FOLLETTE on May 29, 1929, as follows:

Resolved, That the Finance Committee, or subcommittees thereof, are hereby directed to hold public hearings on H. R. 2667—the tariff bill.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

Mr. EDGE. Mr. President, the Senator from Utah [Mr. SMOOT], the chairman of the committee, seems to have left the Chamber; but in view of the fact, which I think is well known to all the Members of the Senate, that the Finance Committee, at a meeting yesterday, unanimously decided to hold open hearings through the agency of subcommittees of the committee, I can not imagine that there will be the slightest reason for the passage of this resolution.

Mr. NORRIS. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Nebraska?

Mr. EDGE. I do.

Mr. NORRIS. The Senator from Wisconsin [Mr. LA FOLLETTE] is not here at this moment; and I suggest that the resolution go over without prejudice.

The PRESIDENT pro tempore. Without objection, the resolution will go over without prejudice.

Mr. EDGE. That course is satisfactory to me.

THE CALENDAR

The PRESIDENT pro tempore. The calendar, under Rule VIII, is in order. The Secretary will state the first bill on the calendar.

CHANGE OF DATE OF INAUGURATION

The first business on the calendar was the joint resolution (S. J. Res. 3) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress.

Mr. BLEASE. Mr. President, in the absence of the Senator from Connecticut [Mr. BINGHAM], I ask that the joint resolution may go over.

Mr. NORRIS. Mr. President, I was about to move to take it up anyway, but I see that the Senator from Connecticut is not here.

Mr. SMOOT. No; the Senator from Connecticut is out of the city.

Mr. NORRIS. I have put over this joint resolution two or three times to accommodate the Senator from Connecticut, who desires to be heard on it. The Senator from Connecticut has told me that he does not want to delay the matter; he wishes to make a speech on it. If I can have an understanding that the joint resolution will be taken up soon, within a day or two, I shall not have any objection to its going over again on his account. I do not want to take it up in his absence. At the same time I do not want continually to put it over every day.

Mr. SMOOT. The Senator from Connecticut did not ask me to object.

Mr. NORRIS. No; I understand that; but I would not take up the joint resolution in his absence. At the same time I should like to have an understanding that we can get the joint resolution up and dispose of it. I do not think it will take very much time.

Mr. BLEASE. Personally I shall not object to its being taken up at any time; but I know that the Senator from Con-

necticut is very much interested in it, and that is why I made the suggestion.

Mr. HEFLIN. Mr. President, if the Senator will permit me, where is the Senator from Connecticut?

Mr. NORRIS. If the Senator is asking that question of me, I decline to answer. [Laughter.]

Mr. HEFLIN. The Senate ought not to be held up until the recess because some Senator is absent.

Mr. NORRIS. I should like to dispose of this matter before the recess. I do not think it will take any longer than the time necessary to listen to the Senator from Connecticut. I have talked on it until the Senate does not want to hear me any more, and I do not care to make another speech on it, and I do not know of anybody else who does. I am ready to vote.

The PRESIDENT pro tempore. May the Chair suggest that the joint resolution, being No. 1 on the calendar, it is always reached whenever the calendar is up.

Mr. NORRIS. But we have been having recesses right along. If I can have an understanding that we will have a morning hour to take up this matter before the recess, I am willing to let it go over again. I will let it go over, anyway, Mr. President, and give notice that at the next morning hour that we have I shall try to get the joint resolution up for final action.

The PRESIDENT pro tempore. The joint resolution will be passed over.

AMENDMENT OF THE TRADING WITH THE ENEMY ACT

The bill (S. 60) to amend subsection (a) of section 26 of the trading with the enemy act so as to authorize the allocation of the unallocated interest fund in accordance with the records of the Alien Property Custodian, was announced as next in order.

The PRESIDENT pro tempore. The Chair lays before the Senate a bill from the House of Representatives, to which he invites the attention of the Senator from Utah.

The bill (H. R. 3083) to amend subsection (a) of section 26 of the trading with the enemy act, as amended by the settlement of war claims act of 1928, so as to authorize the allocation of the unallocated interest fund in accordance with the records of the Alien Property Custodian, was read twice by its title.

Mr. SMOOT. Mr. President, this bill is identical with Senate bill 60, and I move to substitute the House bill for the Senate bill.

The PRESIDENT pro tempore. Without objection, House bill 3083 is substituted for Senate bill 60.

Mr. LA FOLLETTE. Mr. President—

Mr. NORRIS. Mr. President, I do not want the bill taken up at this time. I ask that it go over.

The PRESIDENT pro tempore. The bill will go over; and, without objection, Senate bill No. 60, Order of Business No. 5, is indefinitely postponed.

AMENDMENT OF SECOND LIBERTY BOND ACT

The bill (S. 310) to amend section 5 of the second Liberty bond act, as amended, was announced as next in order.

The PRESIDENT pro tempore. The Chair lays before the Senate a bill from the House of Representatives which will be read.

The bill (H. R. 1648) to amend section 5 of the second Liberty bond act, as amended, was read twice by its title.

Mr. SMOOT. I ask that the House bill be substituted for Senate bill 310.

The PRESIDENT pro tempore. Without objection, House bill 1648 will be substituted for Senate bill 310.

Mr. SMOOT. Now, I ask that the bill go over, because the Senator from Michigan [Mr. COUZENS] is not in the Chamber, and there is one item of the bill upon which he desires to speak.

The PRESIDENT pro tempore. The bill will be passed over; and, without objection, Senate bill 310 will be indefinitely postponed.

PAN AMERICAN UNION

The joint resolution (S. J. Res. 5) amending the act entitled "An act authorizing the erection for the sole use of the Pan American Union of an office building on the square of land lying between Eighteenth Street, C Street, and Virginia Avenue NW., in the city of Washington, D. C.," approved May 16, 1928, was considered as in Committee of the Whole and was read, as follows:

Resolved, etc., That the act entitled "An act authorizing the erection for the sole use of the Pan American Union of an office building on the square of land lying between Eighteenth Street, C Street, and Virginia Avenue NW., in the city of Washington, D. C.," approved May 16, 1928, is hereby amended by striking out in section 1 the words

"bounded on the north by C Street NW., on the east by Eighteenth Street NW., and on the south by Virginia Avenue NW." and inserting in lieu thereof the words "bounded on the north by Virginia Avenue NW., on the south by B Street NW., and on the west by Nineteenth Street NW."

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS, ETC., PASSED OVER

The bill (S. 168) providing for the biennial appointment of a board of visitors to inspect and report upon the government and conditions in the Philippine Islands was announced as next in order.

Mr. BORAH. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 65) censuring the disclosure and publication of the executive proceedings of the Senate on May 17, 1929, was announced as next in order.

Mr. REED. Let that go over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 15) to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, as amended, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

REHABILITATION OF FARM LANDS IN FLOODED AREAS

The bill (S. 1142) to continue, during the fiscal year 1930, Federal aid in rehabilitating farm lands in the areas devastated by floods in 1927 was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That any unexpended balance of the appropriation to enable the Secretary of Agriculture to carry into effect the provisions of the act entitled "An act for the purpose of rehabilitating farm lands in the flood areas," approved January 26, 1928, contained in the act entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1929, and for other purposes," approved May 16, 1928, is hereby reappropriated, and shall remain available for the same purpose during the fiscal year 1930.

Mr. KING. Mr. President, I will ask the author of the bill to explain it to the Senate.

Mr. TYSON. Mr. President, this is a bill simply to extend the time for expending an appropriation of \$500,000 that has already been made. There is about \$60,000 left unexpended, and the bill is simply to carry it over for that particular purpose for the States from Illinois down to the Gulf of Mexico. It has been unanimously reported by the Committee on Agriculture and Forestry.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF PURE FOOD AND DRUGS ACT

The bill (S. 1133) to amend section 8 of the act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicine, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, as amended, was announced as next in order.

Mr. KING. Mr. President, I have had a number of letters objecting to this bill. I am not sufficiently familiar with it to pass judgment upon the matter and I am not a member of the committee. I shall be very glad if the chairman of the committee or some member of the committee will advise us as to the provisions of the bill and the necessity of it.

Mr. COPELAND. Mr. President, in my judgment the bill is so far-reaching that it should not be considered in this hurried way. I have no desire to delay action upon the bill, but I do think that some of its provisions should be thoroughly considered.

Mr. BRATTON. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF RULE XXXVIII—EXECUTIVE SESSIONS

The resolution (S. Res. 19) to amend paragraph 2 of Rule XXXVIII relating to proceedings on nominations in executive session was announced as next in order.

Mr. JONES. Mr. President, I am going to ask that the resolution may go over; but I desire to give notice that at the conclusion of the national-origins matter I hope to get the resolution up and dispose of it.

The PRESIDENT pro tempore. In other words, the subject will come up at the time originally suggested by the present occupant of the chair.

Mr. JONES. Thursday; yes.

Mr. SWANSON. Mr. President, I submit a substitute for Senate Resolution 19, which I ask to have printed and lie on the table, and also printed in the Record.

The PRESIDENT pro tempore. Without objection, the amendment will be received, printed, and lie upon the table, and also will be printed in the Record.

The amendment, in the nature of a substitute, is as follows:

Resolved, That all treaties and nominations when reported to the Senate shall be considered in open executive session, unless the committee reporting the same shall recommend that the treaty or nomination be considered in secret executive session, in which case it shall be so considered, unless the Senate by a majority vote in secret executive session shall determine that the treaty or nomination shall be considered in open executive session. All roll calls and pairs made in executive session shall be published in the Record.

Rule XXXV shall apply to all open executive sessions.

RESOLUTION AND JOINT RESOLUTION PASSED OVER

The resolution (S. Res. 76) to amend Rule XXXIII of the Standing Rules of the Senate relating to the privilege of the floor was announced as next in order.

The PRESIDENT pro tempore. This resolution will be passed over.

The joint resolution (S. J. Res. 49) to provide for the national defense by the creation of a corporation for the operation of the Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes, was announced as next in order.

Mr. BURTON (and other Senators). Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

SALE OF MORTGAGE BONDS BY DISTRICT OF COLUMBIA COMPANIES

The resolution (S. Res. 58) to investigate activities of real estate and finance corporations in the District of Columbia concerning the sale of mortgage bonds upon property was announced as next in order.

Mr. KING. Mr. President, I understand that the resolution offered by the Senator from Iowa [Mr. BROOKHART] was modified and another resolution reported by the committee. Is that correct?

Mr. BROOKHART. In answer to that question I will state that I think all of the matters included in my resolution are included in the new one, and the committee has enlarged it in some respects, I think very properly and appropriately.

Mr. KING. It meets with the Senator's approval, then?

Mr. BROOKHART. Yes; and it is a unanimous report of the subcommittee and the full committee.

The Senate proceeded to consider the resolution, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, to strike out the preamble and the resolution and to insert in lieu thereof the following:

Whereas it is alleged that many millions of dollars of real-estate mortgage notes and bonds, secured by trust deed or otherwise, on real estate within the District of Columbia, have been issued, in excess of the value of the properties so mortgaged, and which securities have been sold throughout the United States through alleged questionable means and methods, to innocent purchasers, and that purchasers of homes and other real estate are denied their day in court in default of their payment of principal or interest; and

Whereas the laws for the District of Columbia are either absent or ineffective for the protection of innocent purchasers of such securities and homes and real estate, in the following particulars, namely:

(a) No adequate law relating to the issuance and sale of stocks, bonds, and mortgages, and other securities, as affecting real estate or otherwise;

(b) No law inhibiting unethical, unfair, and unscrupulous real estate and finance operators; and

(c) No law providing for an orderly foreclosure of trust deeds, mortgages, or contracts relating to the purchase and sale of real estate, through court procedure: Therefore be it

Resolved, That the Committee on the District of Columbia, or a duly authorized subcommittee thereof, is hereby authorized and directed to make a full and complete investigation in respect to the several matters hereinbefore set forth, including the issuance and methods of sale of stocks, bonds, or other securities of a different character than heretofore stated, and other relative or similar matters, and to report to the Senate as soon as practicable the result of its investigations, together with its recommendations, if any, for necessary legislation. For the

purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-first Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed \$2,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The amendment was agreed to.

The resolution, as amended, was agreed to.

The preamble was agreed to.

SHORT-LINE RAILROADS

The bill (S. 571) to amend section 204 of the act entitled "An act to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, as amended, and for other purposes," approved February 28, 1920, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Interstate Commerce with amendments, on page 2, line 5, after the word "paragraph," to strike out "(h)" and insert "(i)"; and in line 6, before the word "If," to strike out "(h)" and insert "(i)," so as to make the bill read:

Be it enacted, etc., That section 204 of the act entitled "An act to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, as amended, and for other purposes," approved February 28, 1920, be amended and reenacted by adding thereto a new paragraph to be known as paragraph (i).

(i) If the claim of any carrier under this section is denied in whole or in part by the commission, the several district courts of the United States shall have jurisdiction, upon a petition of such carrier to enjoin and set aside such action of the commission, to hear and determine questions of law arising upon such claims in the same manner and to the same extent as they now hear and determine questions of law in cases brought to enjoin, set aside, annul, or suspend in whole or in part any order of the Interstate Commerce Commission under the act entitled "An act to create a commerce court and to amend the act entitled 'An act to regulate commerce,' approved February 4, 1887, as heretofore amended, and for other purposes," approved June 18, 1910, as amended by the act entitled "An act making appropriations to supply urgent deficiencies in appropriations for the fiscal year 1913, and for other purposes," approved October 22, 1913; and the provisions of said act shall apply to all such proceedings under this amendment: *Provided*, That if the petition is for the enjoining and setting aside of any such action taken by the commission prior to the approval of this amendment, said petition shall be filed within one year from the time when this act is approved, and not after; and if the petition is for the enjoining and setting aside of any such action taken by the commission after the approval of this amendment, said petition shall be filed within one year from the time when such action is taken by the commission, unless within such period the carrier and the commission agreed in writing to suspend the running of the statute of limitations for filing suit from the date of the agreement to the date of the final decision in one or more named cases then pending before the courts.

The amendments were agreed to.

Mr. PHIPPS. Mr. President, this bill is identical with the one which passed the Senate at the last session of the Congress. It relates to the short-line railways, and merely gives them an opportunity to have their claims for compensation considered and reported upon.

Mr. KING. Mr. President, I should like the Senator to make a brief explanation in regard to this matter. My understanding was that the claims of the railroads against the Government and the claims of the Government against the railroads had been properly adjudicated through instrumentalities heretofore set up.

Mr. PHIPPS. That was the general impression; but the fact remains that certain short-line railways, when they were all taken over by the Government, were turned back at the termination of the 6-month period. The Railway Administration served notice that they would not be retained. The railways made their statements to the Railway Administration, and the Railway Administration refused to consider them. They were referred to the Interstate Commerce Commission, I believe—the chairman of the Committee on Interstate Commerce will correct me if I am in error—and they were shifted back and forth between the two bodies, and have never had any consideration.

This bill is merely to give them an opportunity to present their claims there to be heard. If they are entitled to anything under the law, it should be accorded them. Up to the present time they have had no opportunity whatever to present their claims to any authority.

Mr. BRATTON. Mr. President, will the Senator yield?

Mr. PHIPPS. I yield.

Mr. BRATTON. Referring to page 2 of the bill, it is provided that the act approved February 4, 1887, as amended by the act approved February 28, 1920, as amended and reenacted is amended "by adding thereto a new paragraph to be known as paragraph (i) as follows."

Referring to paragraph (i), does that authorize a carrier to apply to a United States district court at any point within the United States for an injunction to restrain the Interstate Commerce Commission from enforcing a decision previously rendered by the commission?

Mr. PHIPPS. That is the reading of the bill. May I have the attention of the chairman of the Committee on Interstate Commerce?

Mr. COUZENS. What is the question?

Mr. PHIPPS. Will the Senator from Michigan be good enough to reply to the question of the Senator from New Mexico? I suggest that the Senator from New Mexico repeat his question.

Mr. BRATTON. If I understand the new paragraph correctly, it authorizes any carrier anywhere in the United States to apply to a United States district court anywhere in the United States for an injunction to restrain the Interstate Commerce Commission from enforcing a decision previously rendered, and authorizes the court to enjoin and set aside the action of the commission, and "to hear and determine questions of law arising upon such claims in the same manner and to the same extent as they now hear and determine questions of law in cases brought to enjoin, set aside, annul, or suspend in whole or in part any order of the Interstate Commerce Commission." Is that correct? If that is the effect of the measure, it seems to me that it is too far-reaching to be disposed of without some discussion.

Mr. COUZENS. Mr. President, I may say to the Senator that for considerably over a year there were negotiations between the attorneys for the short-line railroads and the Interstate Commerce Commission concerning the language to be used in this bill, for the reason that the first time that the short-line railroads proposed this legislation the language of the bill did not satisfy the Interstate Commerce Commission because of the very questions raised by the Senator from New Mexico. After lengthy conference, and consideration by a subcommittee consisting of the Senator from Rhode Island [Mr. METCALF], the Senator from Washington [Mr. DILL], and myself, we went into the controversy between the Interstate Commerce Commission and the attorneys for the short-line railroads, and agreed upon this specific language, which is entirely satisfactory to the Interstate Commerce Commission. Otherwise, the committee would not have reported the bill.

Mr. BRATTON. Mr. President, notwithstanding the approval given by the Interstate Commerce Commission, I think the question involved is too wide in its scope to be disposed of in this manner. Accordingly I shall ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. COUZENS. Mr. President, we went into this matter quite at length at the last session and passed a similar bill. A bill in this identical language was passed at the last session and has been reported out unanimously by the Committee on Interstate Commerce of the Senate.

Mr. BRATTON. Was it discussed at the time of its passage during the last session?

Mr. COUZENS. Yes. The Senator from Connecticut [Mr. McLean] went into it quite carefully and discussed it at the last session of Congress, it was unanimously passed at that time in exactly the same language, and twice has been reported by the Committee on Interstate Commerce.

Mr. PHIPPS. Mr. President, if the Senator from New Mexico will read the proviso at the end of the section, I think he will find that in part it answers his question.

Mr. WATSON. Mr. President, will the Senator from New Mexico yield?

Mr. BRATTON. I yield.

Mr. WATSON. May I say to the Senator that this matter came up before the Committee on Interstate Commerce several terms in succession, and that it is the result of a dispute that was somewhat lengthy and involved. It took some time before the two sides could reach an agreement touching the merits of the matter. This very question of jurisdiction was discussed before the committee, as the present chairman, the Senator from Michigan [Mr. Couzens], has remarked.

My understanding of the situation at this time is that this bill is the result of several years of conference on the subject,

in which the matter, so to speak, was kicked back and forth, until finally an agreement was reached, as I understand the situation at the present time, entirely satisfactory to all parties concerned.

Mr. BRATTON. Was the committee unanimous in approving the bill?

Mr. WATSON. The chairman of the committee could answer that.

Mr. COUZENS. I might say that when the Senator from Indiana was chairman of the committee the matter was considered by the committee. The committee refused to agree until the Interstate Commerce Commission was satisfied that their jurisdiction was not affected and that their practice was not affected by the specific language referred to.

Mr. WATSON. I may say to the Senator from Michigan that the Senator from New Mexico asked me whether or not the Committee on Interstate Commerce was unanimous in reporting the bill, and I can not remember the vote.

Mr. COUZENS. There was no objection. At the last session of Congress, when the Senator from Indiana was chairman of the committee, the committee reported the bill out unanimously on the recommendation of a subcommittee, and at this session the committee was unanimous in reporting out the recommendation of the subcommittee.

Mr. BRATTON. Will the chairman of the committee, or the distinguished leader on the Republican side of this body, tell us the approximate number of claims in controversy, and which will be settled?

Mr. WATSON. I can not tell the Senator. Those figures have all escaped my memory.

Mr. BRATTON. Mr. President, I ask that the bill go over. The PRESIDENT pro tempore. The bill will go over, on the objection of the Senator from New Mexico.

BILLS PASSED OVER

The bill (S. 549) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 550) to regulate the distribution and promotion of commissioned officers of the line of the Navy, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

PROMOTION OF COMMISSIONED OFFICERS OF THE MARINE CORPS

The bill (S. 551) to regulate the distribution and promotion of commissioned officers of the Marine Corps, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. WALSH of Massachusetts. Mr. President, in connection with the bills which have been passed over, and to which I do not object, I want to make a brief statement. They involve, in part, changes in retirement laws affecting Army and Navy officers which I consider of grave importance. It seems to me the retirement problem is one to which we should give immediate and very careful consideration. The younger officers of the Army and Navy must wait too long in the lower grades of service, and naturally their superiors are seeking to bring about promotions more expeditiously. The method proposed to relieve this unfortunate situation—for naturally a young man does not want to remain a lieutenant for the greater part of his life—is to advance the retirement of officers of higher rank. The result will be forced retirement at middle life for many officers. Many of these older officers do not want to retire at the early age that is now being suggested.

If this practice of steadily lowering the retirement age goes on, in my opinion we are going to find the same demand from civilian employees of the Government. Much perhaps can be said in favor of retiring Army and Navy officers at a younger age than at which civilian employees are retired, but that distinction will not be convincing to the civilian army of Government employees.

Some other plan must be worked out. We must find some useful service in nonmilitary positions, if necessary, for these Army and Navy officers rather than retire them at such an early age on the Government pay roll. The theory of retirement is that a man is incapacitated for performing his duties at a certain age or after certain years of military or civilian service, but we can not defend retirement at 45, 50, 55, or even 60 years of age.

We are building up a great list of retired Army and Navy officers, and also of civilian employees, and we are witnessing the spectacle of men from that list being appointed to high-salaried positions and confirmed by the Senate, notwithstanding

the fact that we have retired them upon the theory at least that they were not capable of efficiently performing their duties.

I want to give warning as a real friend of these officials that if Army and Navy officials continue this drive to lower the age at which retirement may be made for the purpose of having younger men promoted—and I sympathize with them and realize the great importance of advancing them—they will have to find some solution of the problem other than advancing the age of retirement or they will drive the civilian employees into making the same demand, and then will come a move in this country to do away with all retirement. The retirement upon pay of Army and Navy officials and enlisted men and all other Government employees who have rendered long and faithful service to the Government has my approval and support, but I do see danger signals ahead if we go too far.

We must keep in mind somewhat the interest and viewpoint of the taxpayers. In my opinion the public will resent a policy of overgenerosity or a system that is based upon placing on the retired pay rolls larger numbers of officials and employees who are strong, active, and in the prime of life. I suggest these views for the consideration of those who make recommendations to the Congress with respect to retirement with pay of officials and employees. My thought is to prevent a revolt in the future rather than criticize the past.

Mr. SWANSON. Mr. President, I want to address a few remarks to the Senate in regard to Senate bill 551, to regulate the distribution and promotion of commissioned officers of the Marine Corps. Promotions in the Marine Corps are made entirely on the basis of seniority at present, until we reach the grades of brigadier general and major general. This bill provides for applying to the Marine Corps the same methods of promotion by selection and the same privileges of retirement that exist in the Navy. Most of the Marine Corps officers graduate from the Navy, but there is a great disparity in the matter of promotion between the two services.

It is provided that after an officer of the Navy fails of promotion he is retired at a certain age. A young man is not going to stay in the Navy as a lieutenant until he gets to be 50 or 60 years old. No man of any worth would do so. So the Navy had the old guillotine system, by which men were retired irrespective of their merits; so many were retired each year.

When I was chairman of the Committee on Naval Affairs of the Senate in 1916 we provided for a system of selection, by which officers were promoted from one grade to another after being tested by a selection board. An officer could not go from one grade to another without the recommendation of a selection board which designated those who were competent. The oldest officer among those selected as competent was the one who was promoted.

Under the practice in the Navy, after an officer got to be a captain at 55 or 58 years of age, if he was not promoted to be an admiral, and there was no chance of it, instead of letting the "guillotine" operate he was retired, I think on half pay, or some such arrangement.

There has always been a method of getting rid of men 60 years of age, because it is necessary that the younger men have opportunities of promotion and of having a chance to perform the services of the higher grades. After a man had served 30 or 40 years in the Army or the Navy it was considered very unjust simply to dismiss him without providing him with any compensation.

All this bill seeks to do is to apply to the Marine Corps methods of promotion in vogue in the Navy. There is provided an increase in number, but not of very many; the aggregate number in the Marine Corps, as I understand, is the same as in the Navy. The higher ranks in the Navy cost very little money. The pay in the Marine Corps and the Navy and the Army is now fixed on the basis of longevity, and consequently an increase from one grade to another amounts to very little. This entire bill would mean an expenditure of \$121,000 the first year, the next year it would cost less, the next year less, and it is estimated that in four or five years it would mean a saving instead of being an expense to the Government.

The Marine Corps is one of the best and most efficient of our armed forces, and it does seem to me it is but right that those men who go to the Naval Academy and graduate, and select the Marine Corps, should not be retarded on account of a different method of promotion from that prevailing in the Navy.

The bill provides for an increase of one major general for the staff corps, to which the House did not agree. There are three brigadier generals in the staff corps, and they allow them to have one major general.

The staff corps has generally been considered one of the most efficient and responsible in nearly every military organi-

zation except the Marine Corps. General Ludendorff was in the staff corps, or, to be exact, he was the commissary general of the army of Germany during the entire war. The man in such a position has generally been an officer of ability. If a man who goes into the staff corps can never hope to be made a major general, no efficient man would want to go into that service. No man would want to belong to a corps where he could never attain to the highest honor. General Lejeune, the Secretary of the Navy, and everybody who has given the matter any study, is satisfied that there ought to be one major general in the staff corps of the Marine Corps.

There is one officer there who, if he is not promoted by the 1st of August, will never have the opportunity of becoming a major general, and that is General McCawley. General McCawley has for the last 15 or 20 years had charge of the commissary department of the Marine Corps. He expanded that corps during the war from 15,000 or 20,000 to 75,000, discharged his duties well and efficiently, and did not have any great surplus of supplies left on hand when the war was over, as occurred in other departments. He has had service in the Philippine Islands and during the Cuban war, and was breveted for courage on the field of battle.

The proposed action will not cost the Government anything. The only reason why I would like to have the bill considered at this time is that in August General McCawley retires on account of age, and this is the only chance he has of getting the highest grade to which an officer of the Marine Corps is entitled.

Mr. WALSH of Massachusetts and Mr. EDGE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Virginia yield; and if so, to whom?

Mr. SWANSON. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. The Senator knows I am not objecting to the bill in the first place, but I was calling attention to a situation which I think is helpful to the Army and the Navy. I fear very much—

The VICE PRESIDENT. The time of the Senator from Virginia has expired. If the Senator from Utah maintains his objection—

Mr. KING. I do.

The VICE PRESIDENT. The bill will go over.

BILLS PASSED OVER

The bill (S. 412) to authorize the creation of organized rural communities to demonstrate the benefits of planned settlement and supervised rural development was announced as next in order.

Mr. OVERMAN. Mr. President, in the absence of my colleague the senior Senator from North Carolina [Mr. SIMMONS], who is unavoidably detained from the Senate, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 215) to amend section 13 of the act of March 4, 1923, entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field services," as amended by the act of May 28, 1928, was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over. That concludes the call of the calendar.

MEDICAL OFFICER FOR SENATE

Mr. COPELAND. Mr. President, I would like to ask unanimous consent to call up a resolution which is now on the table, Senate Resolution 51. I desire to offer a substitute resolution dealing with the same subject, which I now send to the desk and ask to have read.

The PRESIDENT pro tempore. The Senator from New York offers a substitute for the resolution to which he has referred, which will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Con. Res. 14), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Navy is hereby requested to detail a medical officer of the Navy for duty as physician to the Senate and House of Representatives; that expenses not exceeding \$1,000 for necessary medical supplies and equipment for the use of such officer shall be paid one-half out of the contingent fund of the Senate and one-half out of the contingent fund of the House of Representatives in the manner prescribed by law.

Mr. COPELAND. Mr. President, the subject of an attending physician for Members of the Senate has been briefly referred to on previous occasions. An officer detailed from the Navy is now attending medical officer for Members of the House of Representatives and the concurrent resolution which I have now

introduced merely provides that he may come upon the floor of the Senate also and render a similar service here.

The PRESIDENT pro tempore. The Senator from New York is asking unanimous consent for the present consideration of the concurrent resolution. Is there objection?

Mr. REED. Mr. President, may we have it reported?

The PRESIDENT pro tempore. The concurrent resolution may be read for the information of the Senate.

The Chief Clerk again read the concurrent resolution.

The PRESIDENT pro tempore. The Senator from New York withdraws his Senate resolution and is now asking unanimous consent for the present consideration of the concurrent resolution. Is there objection?

Mr. HALE. I object.

Mr. REED. Mr. President, will the Senator explain the resolution?

The PRESIDENT pro tempore. The Senator from Maine has objected.

Mr. HALE. Is this the resolution to assign a naval officer to the medical work of the Capitol?

Mr. COPELAND. Yes. I ask the Senator to withhold his objection for a moment.

Mr. HALE. Very well.

Mr. COPELAND. It is not proposed to ask for another naval officer. If I were asking for an independent person, I would ask that somebody from the Army be assigned on the theory that the Navy is already represented; but the Secretary of the Navy has assigned a man who is serving, and serving very acceptably, in the House. There is no reason why his activity should not extend to the Senate. Since the Senator from West Virginia [Mr. HATFIELD] came into the Chamber I have found my practice here somewhat interfered with. It is really surprising how many calls are made upon me from time to time because I happen to be a doctor.

I have learned of the work of this naval officer in the House. He has rendered great service to the Members of the House in the way of advice. He is on call there, either on the floor or in the galleries, and under the operation of the concurrent resolution which I have introduced, if it shall be adopted, he would have the same privileges here. I have long believed, and I think Senators share the view, that it is a wise thing that there should be a physician on call in the Senate, because there have been, even since I have been here, occasions when the services of a doctor were very sadly needed. I can see no reason why anyone should object to this particular matter, and I hope the Senator from Maine will withdraw his objection.

Mr. FLETCHER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Florida?

Mr. COPELAND. I yield.

Mr. FLETCHER. It does not involve the appointment of an additional officer or anything of that sort, but this officer is already on duty as a naval officer, and the resolution simply provides that he can be assigned here to the Senate.

Mr. COPELAND. That is it exactly. I have no other thought, because if I were going to ask for an independent person I would think it only fair that the other branch of the service be recognized. This officer has ample time to take care of both branches of Congress. The expense involved is nothing except for medical supplies and medicines. I have put it at the nominal sum of \$1,000, \$500 to be paid out of the contingent fund of each House. It would seem to me the matter should receive favorable consideration.

Mr. STEIWER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Oregon will state it.

Mr. STEIWER. Is the resolution offered by the Senator from New York a Senate resolution or a concurrent resolution?

The PRESIDENT pro tempore. The resolution as presented by the Senator from New York was a Senate resolution. The Senator has modified it by presenting a substitute, which is a concurrent resolution, and he asks unanimous consent that it may be considered in its new form.

Mr. HATFIELD. Mr. President, I share in the conclusions of the Senator from New York upon the importance of the resolution. Senators are frequently taken sick and require the services of a physician. As the House has a physician in attendance all the time, there is no reason why the same privilege should not be accorded the Members of the Senate. I can hardly understand why there would be any objection on the part of any Senator to agreeing to the immediate adoption of the resolution.

Mr. HALE. Mr. President, it does not seem to me it is any part of the duties of a medical officer of the Navy to look after the health of the United States Senate. We are at the present time short in the personnel of the Medical Department

of the Navy, and it is difficult to get as many doctors as we need in the Navy. Those who are in the Navy are doing all the work they can possibly take care of at the present time. While we might not have to have a new man appointed to fill this place, in any event it would take away whoever was appointed from some of the duties he is now performing. I do not think that it is a proper measure for the Senate to adopt, and I must therefore object.

The PRESIDENT pro tempore. The Senator from Maine maintains his objection.

Mr. COPELAND. Mr. President, will the Senator from Maine withhold his objection for a moment?

Mr. HALE. Very well.

Mr. COPELAND. If we were taking a new officer, the objection of the Senator from Maine would be a very valid one. But this officer is already stationed at the Capitol and spends his time here. The Senator from Maine may be the first one in the Senate Chamber to need a doctor. In that case it would be a very splendid thing for the country if there were a doctor immediately available.

Mr. HALE. If the Senate needs a doctor, I think we ought to hire one.

The PRESIDENT pro tempore. The Senator from Maine maintains his objection.

CALL OF THE ROLL

Mr. COUZENS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Glass	McNary	Smoot
Ashurst	Glenn	Metcalf	Steck
Blease	Greene	Moses	Steiger
Borah	Hale	Norbeck	Stephens
Bratton	Harris	Norris	Swanson
Brookhart	Hastings	Nye	Thomas, Idaho
Broussard	Hatfield	Oddie	Thomas, Okla.
Burton	Hawes	Overman	Townsend
Capper	Hayden	Patterson	Trammell
Connally	Heflin	Phipps	Tydings
Copeland	Howell	Pine	Tyson
Couzens	Johnson	Pittman	Vandenberg
Cutting	Jones	Ransdell	Wagner
Deneen	Kean	Reed	Walcott
Dill	Kendrick	Sackett	Walsh, Mass.
Edge	Keyes	Schall	Walsh, Mont.
Fletcher	King	Sheppard	Warren
Frazier	La Follette	Shortridge	Waterman
George	McKellar	Simmons	Watson
Gillett	McMaster	Smith	Wheeler

Mr. LA FOLLETTE. I announce the unavoidable absence of my colleague the junior Senator from Wisconsin [Mr. BLAINE] and the fact that he has a general pair with the junior Senator from Maine [Mr. GOULD]. I will let this announcement stand for the day.

Mr. HEFLIN. I desire to announce that my colleague [Mr. BLACK] is necessarily detained from the Senate by illness. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Eighty Senators having answered to their names, a quorum is present.

AMENDMENT OF SECOND LIBERTY BOND ACT

Mr. SMOOT. Mr. President, I ask unanimous consent that the pending unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of the bill (H. R. 1648) to amend section 5 of the second Liberty bond act, as amended. The Senator from Michigan [Mr. COUZENS], because of whose absence on a previous occasion the bill was temporarily laid over, is now present.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. COUZENS. Mr. President, the House bill having been substituted for the Senate, and being a short bill, I think it ought to be read, because I think it is of considerable importance.

The PRESIDENT pro tempore. The bill will be read.

The Chief Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the second Liberty bond act, as amended (U. S. C., title 31, sec. 754), is hereby amended to read as follows:

"SEC. 5. (a) That in addition to the bonds and notes authorized by sections 1 and 18 of this act, as amended, the Secretary of the Treasury is authorized to borrow from time to time, on the credit of the United States, for the purposes of this act, to provide for the purchase or redemption before maturity of any certificates of indebtedness or Treasury bills issued hereunder, and to meet public expenditures authorized

by law, such sum or sums as in his judgment may be necessary, and to issue therefor (1) certificates of indebtedness of the United States at not less than par and at such rate or rates of interest, payable at such time or times as he may prescribe; or (2) Treasury bills on a discount basis and payable at maturity without interest. Treasury bills to be issued hereunder shall be offered for sale on a competitive basis, under such regulations and upon such terms and conditions as the Secretary of the Treasury may prescribe, and the decisions of the Secretary in respect of any issue shall be final. Certificates of indebtedness and Treasury bills issued hereunder shall be in such form or forms and subject to such terms and conditions, shall be payable at such time not exceeding one year from the date of issue, and may be redeemable before maturity upon such terms and conditions as the Secretary of the Treasury may prescribe. Treasury bills issued hereunder shall not be acceptable before maturity in payment of interest or of principal on account of obligations of foreign governments held by the United States of America. The sum of the par value of such certificates and Treasury bills outstanding hereunder and under section 6 of the first Liberty bond act shall not at any one time exceed in the aggregate \$10,000,000,000.

"(b) All certificates of indebtedness and Treasury bills issued hereunder (after the date upon which this subdivision becomes law) shall be exempt both as to principal and interest, and any gain from the sale or other disposition thereof shall be exempt from all taxation (except estate or inheritance taxes) now or hereafter imposed by the United States, or by any local taxing authority; and no loss from the sale or other disposition thereof shall be allowed as a deduction or otherwise recognized for the purposes of any tax now or hereafter imposed by the United States or any of its possessions.

"(c) Wherever the words 'bonds and notes of the United States,' or 'bonds and notes of the Government of the United States,' or 'bonds or notes of the United States' are used in the Federal reserve act, as amended, they shall be held to include certificates of indebtedness and Treasury bills issued hereunder."

Mr. COUZENS. Mr. President, the Finance Committee considered the bill (S. 310) to amend section 5 of the second Liberty bond act, as amended, for which the pending House bill has been substituted. I think the bill has a great deal of merit, and I approve of all of it substantially, except subsection (b) in section 5, which refers to the exemption from taxation of certificates of indebtedness or Treasury bills. It exempts from taxation all capital gains in transactions relating to them.

All capital gains from transactions in any security are now subject to the income tax. Efforts have been made from time to time, and strenuous efforts are now being made to exempt capital gains from income taxation. The movement is particularly energetic at this time because of the great gains which have been made on the New York Stock Exchange. It may be said that literally hundreds of millions of dollars have been made in transactions on the stock exchange. If Congress should adopt the principle of exempting from taxation capital gains, the Government will have its revenue materially cut.

Mr. SMOOT. Mr. President, will the Senator from Michigan yield to me?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Utah?

Mr. COUZENS. I yield.

Mr. SMOOT. I think the Senator from Michigan will agree with me that there is no inclination whatever, so far as the members of the Finance Committee are concerned, to adopt such a program. I know at this time, as the Senator has stated, that there is pressure being brought to bear from some sources to exempt all capital gains from taxation, but, so far as the Finance Committee is concerned, I do not know of a single member of that committee who would vote for such a proposition.

Mr. COUZENS. Mr. President, notwithstanding what the Senator from Utah says, I have been here long enough to know that men change their minds. Under pressure I have known many Senators to change their minds. Minds may be changed now or changed later with respect to the taxation of capital gains.

Mr. FLETCHER. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Florida?

Mr. COUZENS. I yield.

Mr. FLETCHER. Why should we now exempt the certificates and bills provided for in this bill from capital-gains taxation?

Mr. COUZENS. That is the very question I raised in the Finance Committee. I objected then, and I here now object to an entering wedge of any kind which would exempt from taxation capital gains, no matter on what sort of securities they might be made.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield further to the Senator from Utah?

Mr. COUZENS. I yield.

Mr. SMOOT. I think the Senator went even farther than that. As I understand the Senator's position is this: He would like to have stricken out the language:

Any gain from the sale or other disposition thereof shall be exempt from all taxation.

Those are the words the Senator desires to be stricken out.

Mr. COUZENS. Those are the words to which I particularly object.

Mr. SMOOT. As to the bills themselves, and as to the Treasury certificates, they are exempt, and the provision just read by me refers to the gain that may accrue from them. The bill makes no other change, I will say to the Senator.

Mr. FLETCHER. That is precisely the point. I think the Senator from Michigan is right about it.

Mr. COUZENS. That is precisely the point I make. This is the first attempt to exempt any form of security from capital-gain taxation.

Mr. EDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from New Jersey?

Mr. COUZENS. I yield.

Mr. EDGE. The object is perfectly obvious, is it not, that the bills will bear a rate of interest that much lower?

Mr. COUZENS. That argument is a very fallacious one, because the States can come in and claim the same exemption in the case of their securities. In other words, if the capital gain on these bills should be exempted from taxation there is no reason why every other Federal security and State and municipal securities should not have a similar exemption from capital-gain taxation.

Mr. SMOOT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Will the Senator from Michigan yield further to the Senator from Utah?

Mr. COUZENS. I yield.

Mr. SMOOT. I think there is one reason, I will say to the Senator, namely, that these are short-term bills.

Mr. COUZENS. Oh, yes.

Mr. SMOOT. They would not be issued for longer than three months, and, more than likely, the Treasury would be in a position to take them up within 30 days after they were issued, or, at any rate, within 60 days, and in no event can the period exceed three months.

As Senators know, there are four dates on which income taxes are paid, namely, March 15, June 15, September 15, and December 15. These certificates and bills will be purchased in the market and the proceeds will be used to cover the expenses of the Government so that the Government will not have to issue bonds and will be able to save the amount of interest which would accrue between the time that the certificates or the bills shall be issued and the end of the respective periods when the income-tax payments are due.

Mr. GLASS. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. COUZENS. Before I yield to the Senator from Virginia I wish to say that the argument the Senator from Utah is making does not touch the issue at all. There have not been very many occasions when I could commend the Treasury Department, but on this occasion I want to commend that department for suggesting this plan of short-time financing. I think it is a very commendable plan; but I disagree with the feature which has been injected into it and which has nothing whatever to do with the financial scheme properly considered of exempting capital gains from taxation.

Mr. SMOOT. The Senator will admit, will he not, that if the bills were exempt so far as capital-gains taxation is concerned, the Government could purchase the money through these bills a little cheaper than it otherwise could?

Mr. COUZENS. That may be said with respect to all Federal obligations. Why not exempt them all? I contend that this is merely an entering wedge in an effort to exempt capital gains from taxation. There is no more reason why these Treasury bills should be exempted from capital-gains taxation than that Liberty bonds or other obligations of the Federal Government should be so exempted.

Mr. GLASS. Mr. President—

Mr. SMOOT. There is only this reason—

The VICE PRESIDENT. Does the Senator from Michigan yield; and if so, to whom?

Mr. COUZENS. I yield to the Senator from Utah in order that he may finish what he desires to say.

Mr. SMOOT. I say that the only reason is that these are very short time bills. I agree with the Senator as to the exemption of capital gains in the case of obligations that the Government has already issued and on which capital-gains taxes are paid, and I would not care if the principle were extended further; but, as I have said, the life of the Treasury bills under this measure will not on the average be more than 45 days. They will be sold in the open market, as I have already stated, and the Treasury Department thinks at least—and I rather agree with them—that with this provision in the bill they may be able to obtain money for the short periods of time desired at a little less rate and perhaps make more than would be gained by taxing capital gains which might accrue upon the bills.

Mr. COUZENS. I do not agree with the Senator from Utah in that respect. The Federal Government could borrow all the money it needs at a less rate if it exempted capital gains from taxation. It could borrow all of its money at a much less rate if it exempted its securities from all taxation, as State and municipal bonds are exempted.

Mr. GLASS. Mr. President.

The VICE PRESIDENT. Does the Senator from Michigan now yield to the Senator from Virginia?

Mr. COUZENS. I do.

Mr. GLASS. Mr. President, I wish to ask both Senators whether or not the committee considered another aspect of this question which, in my view, is very much more serious than the tax phase of it, and that is the use of these short-time certificates for stock-gambling purposes.

It is a very well-known fact that in this frightful orgy of speculation which has almost paralyzed the legitimate commercial and industrial credits of this country, the speculators have been enabled to operate excessively and with facility because of a provision of the Federal reserve act that permits direct borrowings by the banks under the 15-day clause of that statute. It is now proposed to issue short-time certificates which will facilitate that sort of activity by the stock gamblers, which will enable them to buy from day to day these short-time certificates and have them rediscounted at the Federal reserve banks, and thus manipulate the credits of the Government in order to increase the credits of the stock gamblers.

Mr. COUZENS. Mr. President, I should like to say to the Senator in that connection that I think he has not carefully considered the bill, for the reason that this provision does not provide for additional financing. It simply substitutes a non-interest-bearing certificate for an interest-bearing certificate. In other words, there is no additional financing whatever.

These bills, when sold, will be sold without any interest rate whatever. They will be sold by competitive bidding; and whatever interest the purchaser secures is the difference between the value of the certificate at maturity and the price he pays for it. That is substituted in place of the present short-time certificate issued for 3, 6, or 9 months or a year at an interest rate of 3 or 3½ or 4¼ per cent, or whatever the rate may be. It seems to me there is every advantage in substituting this form of financing the Government for the present form.

Mr. GLASS. Oh, I concede that that would be so for the Government's operations.

Mr. COUZENS. But it makes no difference in the volume.

Mr. SMOOT. They have to pay for the certificates.

Mr. GLASS. But a speculator can obtain these short-time certificates for use in the rediscount market with greater convenience and facility to himself than he could obtain United States bonds.

Mr. COUZENS. Oh, no, no; that is not the question, Mr. President. The Treasury officials are now issuing, as the Senator knows, certificates of indebtedness, and they are available to the speculator in every way.

Mr. GLASS. I know they are, and that is what I am complaining of.

Mr. COUZENS. These are no different.

Mr. GLASS. But here we are multiplying the facilities for that very sort of thing.

Mr. COUZENS. Oh, no; the Senator is all wrong in regard to multiplying the facilities.

Mr. GLASS. As a matter of fact, we ought to repeal the war-time provision—because it was put there under the pretense that it was a war necessity—of the Federal reserve act that enables these gamblers to use the credit of the United States Government for their purposes.

Mr. COUZENS. I have no objection if the Senator will propose that. That, however, is an entirely different proposition than the one we now have before us. If the Senator will introduce a bill proposing the repeal of the section of which he complains, I shall be very glad to support his efforts.

Mr. GLASS. I am going to do that.

Mr. COUZENS. This, however, has nothing whatever to do with that phase of the matter.

Mr. GLASS. I just can not see it that way. It looks to me like multiplying the facilities of these people to use the credit of the United States Government for stock speculative purposes.

The Senator knows perfectly well that when the Federal reserve act was passed we never should have included United States bonds as a basis of rediscount but for the fact that of the less than \$1,000,000,000 of bonds outstanding the banks themselves owned \$748,000,000 for circulation purposes. We never should have permitted United States securities to be used as a basis for rediscount but for that fact. Nobody ever dreamed that there would be billions upon billions of dollars of United States bonds outstanding; and these people have been enabled to engage in these excessive speculations—which, as I have said, have paralyzed legitimate business credits in this country—by reason of the fact that they use United States bonds for their 15-day loans; and now why will they not use these short-time United States notes for the same purpose?

Mr. COUZENS. Mr. President, the Senator is absolutely right with respect to what he says about using Federal obligations for rediscounting purposes. I think the whole stock-market situation is as bad as the Senator can picture it. With everything he says I concur; and when men like Mr. Durant, who have made their great fortunes by speculative methods, come out and find fault with whatever measures the Federal reserve banks may take to suppress this orgy of speculation, it is perfectly obvious that they are doing it wholly for selfish reasons.

Mr. GLASS. Yes; and Mr. Durant has lured more innocent amateur gamblers into the market than any other 40 individuals in the United States.

Mr. COUZENS. But the Senator overlooks the fact that that has nothing to do with this bill.

Mr. GLASS. Well, I am trying to find out. This bill has just been presented. I am not a member of the Finance Committee, and I want to know.

Mr. EDGE. Mr. President, if the Senator will yield—

Mr. COUZENS. I am telling the Senator that this does not in any sense increase the volume of Government securities, and has absolutely no effect upon the volume that may be discounted by the owners of them.

Mr. GLASS. Could not a speculator more readily acquire, from day to day, these short-time securities for his rediscounting purposes than he could bonds?

Mr. COUZENS. He could do that more than he could with bonds; but we are not talking about bonds. We are talking about certificates of indebtedness versus these notes. These notes are not to take the place of bonds. These bills or notes, or whatever they may be called, are to take the place of certificates of indebtedness which have the same length of maturity that the present certificates of indebtedness have.

Mr. EDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from New Jersey?

Mr. COUZENS. I yield to the Senator from New Jersey.

Mr. EDGE. As a matter of fact, this method of financing, if I understand it correctly, will actually reduce the volume of certificates of indebtedness under those now being issued. Under the present plan, as the Senator knows, from time to time the Treasury announces an issue of certificates of indebtedness perhaps drawing 4 per cent, or thereabouts, and they are taken up throughout the country. The Government authorities have discovered, since following that method of financing, that they sometimes get more money than they actually need to meet the obligation they are anticipating, so that they have suggested the plan which I understand is now in vogue in Great Britain and some other countries, of issuing as needed in the open market over the counter, and letting investors bid for just what they need. They will thus save money in interest, and they will have money in actual principal borrowing.

Mr. GLASS. Mr. President, as I have indicated, I can very readily see that it is to the advantage of the Government to do that if it is not to be attended by what I have feared, and about which I am now asking, the use of these certificates more readily for stock-speculative purposes.

Mr. SMOOT. Mr. President, if the Senator will yield, it is very easily explained.

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Utah?

Mr. COUZENS. Just a moment. I want to say to the Senator that I would be in entire sympathy with his position, but I agree with the Senator from New Jersey that in all probability, if this bill becomes a law, there will be less of these short-time securities on the market than there now are; and I want to say that I commend the department for making this suggestion.

Mr. SMOOT and Mr. COPELAND addressed the Chair.

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Utah?

Mr. COUZENS. I do.

Mr. SMOOT. I was simply going to say to the Senator that it can not be otherwise than that they will be less, because, as I said, the life of these securities on the average will not be over 45 days, and the Government is not going to issue them except as it wants the money. When certificates are issued, as the Senator knows, they are put out up here, and the Government has to say what the rate of interest shall be under these certificates that are issued. The Government names the rate, and it names it after figuring what the rates of money are in the United States from one end of the country to the other. These bills are to be issued drawing no interest, and a straight bid is to be made for them, just as the Senator from Michigan said. There is not any chance for speculation in them, and the Government can take them up at any time.

Mr. COPELAND. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from New York?

Mr. COUZENS. Yes; I yield to the Senator from New York.

Mr. COPELAND. The Senator from Michigan a moment ago spoke about the removal of the capital-gains tax. How are the legitimate industries of our country going to be carried on with a billion and a half of dollars taken out of the deposits in the New York banks to go into speculation, and billions more tied up because of the capital-gains tax, which prevents those who own those securities from redeeming them? Where is the money to come from to carry on industry?

I think myself it is a very serious thing. I think that many legitimate enterprises requiring capital are having great difficulty to-day about getting it. Where is it to come from?

Mr. COUZENS. What relation has that to capital gains?

Mr. COPELAND. The question is, Will there not be an appeal made pretty soon?

Mr. COUZENS. An appeal for what?

Mr. COPELAND. To do away with the tax on capital gains.

Mr. COUZENS. Why, it is being made now. It is promoted by the Senator's colleagues in Wall Street every hour of the day. They are now campaigning and have already started propaganda to repeal the capital-gains tax because of the enormous amount of money that has been made in speculation on the New York Stock Exchange.

Mr. COPELAND. How does the Senator expect to carry on these legitimate enterprises? Where is the money to come from?

Mr. COUZENS. It all depends upon the Senator's interpretation of a "legitimate enterprise." My view is that all of this gambling on the New York Stock Exchange is not legitimate enterprise.

Mr. COPELAND. I am not talking about that at all. I am talking about manufacturing enterprises.

Mr. COUZENS. But what does the capital-gains tax have to do with securing capital for the manufacturing enterprises?

Mr. COPELAND. If your money is all tied up—

Mr. SMOOT. Oh, this is another question.

Mr. COPELAND. This is outside of the matter under discussion; but it is a good time to speak of it, perhaps. If your money is tied up, if a lot of it is going into speculation, if the banks are so short that they have no money to advance, with securities tied up by these rich men—not the men on Wall Street, but some of the other men—where is the money to come from to loan to these legitimate manufacturing enterprises?

Mr. COUZENS. I will ask the Senator another question. Where has the money come from during all these years since the Congress adopted a capital-gains tax? What is the difference now from the time when we adopted that tax years and years ago, and which has been constantly paid ever since? In other words, during the greatest expansion period of the country we have had a capital-gains tax. What is the situation now that makes it different than it has been all during the years of the past except the great demand by the gamblers in Wall Street to have the capital-gains tax repealed? That is the only difference.

Mr. COPELAND. Has the Senator any plan to suggest by which the money will not be used in that way in order that it may be used for its legitimate purposes?

Mr. COUZENS. I am very much in sympathy with the proposal of the Senator from Virginia to give the Federal reserve bank sufficient authority that they may check this orgy of gambling, and extracting from legitimate commerce the money that should be there in order to put it into the gambling market.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Utah?

Mr. COUZENS. I yield.

Mr. KING. I desire to corroborate the statement made by the Senator from Virginia; and in a resolution which I offered some time ago I asked the Committee on Banking and Currency to consider the question of repealing the so-called war amendments to the Federal reserve act, because, as I contended, they have outlived their usefulness.

The Senator from Virginia has challenged attention to the fact that advantage has been taken of one of the war amendments to the Federal reserve act to facilitate the obtaining of credits which were used for stock gambling. I am sorry the chairman of the Committee on Banking and Currency is not here. I think the stock-gambling situation has become such a national evil, and some believe national scandal, as to call for an exhaustive investigation by the committee. On May 16 I offered a resolution for the purpose of having the committee make a comprehensive examination of all questions relating to the Federal reserve bank and all cognate questions, with a view to recommending such legislation as would tend to cure the evils complained of and remedy any infirmities in the Federal reserve act.

I ask to have inserted in the RECORD the resolution to which I have referred.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Senate Resolution 71

Resolved, That in order to provide for the most effective operation of the Federal reserve system, to inform the Senate of the facts in connection with the use of the reserve funds of banks, in carrying or trading in securities, contrary to existing law, and to furnish a basis for constructive legislation to remedy such defects in our banking system as may be found to exist, the Committee on Banking and Currency, or a duly authorized subcommittee thereof, is hereby authorized and directed to make a full and complete investigation and to report thereon to the Senate as soon as practicable, with such recommendations for necessary legislation as it deems advisable;

1. What defects, if any, have been found to exist in the operation of the Federal reserve system, and what legislation is necessary to correct such defects;

2. Whether the facilities of the Federal reserve banks have been utilized in loans for trading in and carrying securities;

3. Whether member banks have afforded unduly large accommodation to brokers;

4. Whether the banking laws of the United States should be amended so as to restrict the use of general bank credits for speculative purposes or to limit the volume of loans made for the purpose of carrying on marginal transactions in stocks and other transactions of a speculative character, either through the introduction of term settlements or otherwise;

5. The classification of loans to brokers by members of the Federal reserve system and the purposes for which such loans are used, particularly in connection with new issues;

6. The different types of trading on the stock exchanges and the scope of each, as well as the extent of so-called "short sales" and the relative degree of concentration in "pool" stocks;

7. The effect of the operations of the Federal reserve system in contributing to the high rate of interest on call money and to the drawing of money from rural districts to financial centers for speculative purposes;

8. The basis for the acceptance policies of the Federal reserve system and the extent to which mergers are taking place between member banks in the Federal reserve system;

9. Whether or not chain banking and branch banking are being developed and the effect and qualities of these types of banking;

10. The extent to which investment or security trusts are being formed by or in connection with member banks of the Federal reserve system, and the extent, character, and effect of their operations;

11. The extent of the loans to such trusts by the member banks and the loans made by them, at call and otherwise, the dividends paid by such trusts, and the effect of such trusts upon fluctuations in the market value of stocks;

12. Whether or not the usury laws are evaded by such investment or security trusts;

13. Whether the member banks of the Federal reserve system should be prohibited from forming or being concerned with investment or security trusts;

14. The extent of the power of Congress to regulate the business of stockholders and others engaged in issuing, negotiating, or trading in securities;

15. Whether the effect of the direct discounting of member-bank notes by reserve banks has proven harmful;

16. Whether the so-called "war amendments" to the Federal reserve act have not outlived their object;

17. The number of bank failures within the period of 10 years prior to the passage of this resolution and the causes of such failures;

18. Whether the national banking laws should be amended so as to prevent Federal charters being granted to associations having less than \$100,000 capital;

19. Whether the merger or consolidation of large financial institutions is beneficial or whether such mergers or consolidations should be restricted;

20. The extent of the powers of Congress to legislate with respect to mergers and consolidations of financial institutions brought about under State law with which the members of the Federal reserve system are not concerned; and

21. Whether there is any evidence of concerted action on the part of member banks of the Federal reserve system to discriminate between competing business concerns in the extension of credits and the making of loans.

For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Seventy-first and succeeding Congresses until the final report is submitted, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. COUZENS. I yield.

Mr. EDGE. In the absence of the chairman of the Committee on Banking and Currency, I simply wanted to assure the Senator—as far as one Senator, a member of the committee, can give assurance—that I am positive the Committee on Banking and Currency fully recognize the situation and its serious aspects, as well as the great difficulty in finding a solution. I am familiar with the fact that a resolution introduced by the Senator from Utah, and I believe another resolution on the same subject offered by the Senator from Oklahoma [Mr. THOMAS], are before us at this time. I am quite positive that the Senator can feel assured that the Committee on Banking and Currency will give every consideration to those resolutions, I repeat, recognizing the great difficulty of the situation.

I am sure the Senator will agree with me that credit is one of the most delicate bits of mechanism, if I may use that illustration, it is possible for a legislative body to confront. I do not think such a problem can be helped through debate, unless there is some proposal actually before the Senate dealing with existing law. We well know there are two schools of thought very clearly defined in the matter of credit, those who believe in higher rediscount rates, and those who believe in lower rediscount rates. I also believe expanding brokers' loans are unfortunate. The problem, however, is, to some extent, partially solved when the market has undergone such a "break," so called, as it has undergone in the last week or so.

Such conditions, of course, greatly influence the credit situation, and I know the Senator, who views all these things broadly, undoubtedly will agree that this subject is one which should be first considered by the committee. The Senator from Virginia is a very active member of the committee, and I hope in due time a report will be made to the Senate.

Mr. KING. Mr. President, will the Senator from Michigan yield to me?

Mr. COUZENS. May I ask the Senator from New Jersey, first, whether the committee has taken up this subject for consideration?

Mr. EDGE. Not since the resolution was introduced, as I recall. We have had informal discussions in the committee at times, but not since the resolution was introduced. I am, of course, only making my own inferences, as the Senator from Idaho stated this morning as to a resolution before the Committee on Foreign Relations; I think the general feeling and disposition on the part of the committee has been, that in this special session, beyond possibly reviewing the matter, there could be no action, and I was under the impression that the Senator from Utah had publicly stated that he did not really expect action until the regular session of Congress.

Mr. KING. Mr. President, will the Senator from Michigan yield to me now?

Mr. COUZENS. I yield to the Senator from Utah.

Mr. KING. What I stated, in answer to a question propounded by one of the able reporters of the press gallery, was that I did not expect any legislation at this session, but I did hope—indeed, expected—that the Committee on Banking and Currency would consider the subject and appoint a subcommittee for the purpose of making the investigation called for. I sincerely hope that before a recess is ordered the committee

will convene and take up my resolution and other measures pending and appoint a subcommittee to carry on the requisite investigation during the summer.

Let me say, in conclusion—and I apologize to the Senator from Michigan for trespassing upon his time—I am sure the Senator from New Jersey must agree with me that the Federal reserve system was established primarily for the purpose of supplying credits to those engaged in industry and commerce and not to furnish credits for stock gambling, either directly or indirectly, and that it has been so perverted and its facilities have been availed of by speculators and stock gamblers. In this respect the Federal reserve system has failed to meet its responsibility.

Mr. EDGE. If the Senator will submit to an interruption, the suggestion having been made to me by the Senator from Utah—

Mr. COUZENS. I yield.

Mr. EDGE. I am not prepared to admit that the Federal Reserve Board have in any way, shape, form, or manner violated or misinterpreted the law under which they are operating. As to their judgment on various occasions when called upon to make decisions, of course, that is a matter on which any Senator or any citizen has a perfect right to disagree. As to over-speculation, I thoroughly agree with the Senator from Utah, but I am not prepared, I repeat, to hold the Federal Reserve Board accountable for that.

Of course, after all is said and done, while we may be able, through legislation, somewhat to discourage what is generally termed gambling speculation through some form of taxation or some form of additional payments on stock transfers, it is nevertheless impossible for Congress to tell an individual how or where he shall spend his own money. In this great progressive Nation of ours, of which we are all very proud, citizens are active, and always will be active, in different forms of speculation. They may trade horses, they may buy stocks, they may buy bonds, they may deal in real estate, but they will speculate, and we are at least glad they are progressive.

I repeat, credit is one of the most delicate problems that could ever come before a congressional body, and I think it is a subject which the committee should first consider. I am prepared, as a member of the committee, to give to it that consideration which I trust and I am sure would result in calmly considered, deliberately considered measures for relief, if such measures are possible through legislation.

Mr. REED. Mr. President, will the Senator yield to me for the purpose of calling a quorum?

The VICE PRESIDENT. Does the Senator from Michigan yield for that purpose?

Mr. COUZENS. I yield for that purpose.

Mr. REED. I make the point of no quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Glass	McNary	Smoot
Ashurst	Glenn	Metcalf	Steck
Blease	Greene	Moses	Steiwer
Borah	Hale	Norbeck	Stephens
Bratton	Harris	Norris	Swanson
Brookhart	Hastings	Nye	Thomas, Idaho
Broussard	Hatfield	Oddie	Thomas, Okla.
Burton	Hawes	Overman	Townsend
Capper	Hayden	Patterson	Trammell
Connally	Heflin	Phipps	Tydings
Copeland	Howell	Pine	Tyson
Couzens	Johnson	Pittman	Vandenbergh
Cutting	Jones	Ransdell	Wagner
Deneen	Kean	Reed	Walcott
Dill	Kendrick	Sackett	Walsh, Mass.
Edge	Keyes	Schall	Walsh, Mont.
Fletcher	King	Sheppard	Warren
Frazier	La Follette	Shortridge	Waterman
George	McKellar	Simmons	Watson
Gillett	McMaster	Smith	Wheeler

The VICE PRESIDENT. Eighty Senators having answered to their names, there is a quorum present.

Mr. COUZENS. Mr. President, in view of the fact that there has been some diversion in the discussion of the bill, though still dealing with finance, I want to say, in commenting on what the Senator from New Jersey [Mr. EDGE] said, that there is, indeed, violent disagreement as to the conduct of the Federal Reserve Board. In my judgment, they have been what would perhaps be called in vulgar language rather "dumb" in not dealing with a situation such as the present one, which ought to have been dealt with months and months ago. In other words, had they been alert and on the job there is no question in my mind that this great orgy of speculation and consequent penalty upon legitimate industry would not have occurred.

Mr. EDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from New Jersey?

Mr. COUZENS. I would like to complete my statement first. We all heard during the discussion of the tax bill, and especially the discussion with reference to surtaxes, that the Government must reduce surtaxes to a minimum so as to release as much money as possible for legitimate industry. Now we are in another situation where money needs to be released for legitimate industry, and I do not hear the advocates who were then advocating a reduction in surtaxes so as to release money for legitimate industry suggesting the same argument or any similar argument now that money should be released from the gambling mart for the benefit of legitimate industry. It is strange how silent they are. Those advocates were then desirous of releasing all the money possible for industry but they are now silent when these great billions of dollars have come into the gambling mart. They objected vigorously to going into the pockets of the Government to pay off its great national debt, but they seem, as I said, strangely silent now and are not commenting now on the great volumes of money that have been taken from legitimate industry and put into the gambling mart.

Mr. EDGE. Mr. President, will the Senator yield? I do not like to interrupt him, but the Senator has referred to my statement, so that I feel he would be willing to have me ask him one question, at any rate.

Mr. COUZENS. Very well.

Mr. EDGE. The Senator has emphasized his disagreement with the policy of the Federal Reserve Board in connection with present overspeculation. What would the Senator propose or suggest that the Federal Reserve Board should have done to have stopped citizens throughout the United States from buying stocks?

Mr. COUZENS. That is not a pertinent question to the discussion because it implies, as propounded by the Senator from New Jersey, that citizens of the United States were buying stocks. My interpretation is perhaps different from that of the Senator from New Jersey. The Senator from New Jersey says "buying" stocks. I do not consider gambling in stocks as "buying" stocks. I have an entirely different understanding of the legitimate buying of stocks as differentiated from gambling in stocks.

Mr. EDGE. I will agree entirely with the Senator's interpretation in order to have my question answered, and I will use the expression "speculating or gambling in stocks." What would the Senator propose the Federal Reserve Board should have done to have kept citizens from spending their own money in gambling in stocks?

Mr. COUZENS. I object again to the Senator's question. The Senator is so smart that he develops a question which is impossible to answer without some explanation. He said "using their own money." He always inserts something in his questions which makes it impossible to answer. They are not gambling with their own money. They are not buying stocks with their own money. When the question is asked in the form in which the Senator has asked it, he knows he is not asking the kind of question that can be answered.

Mr. McMASTER. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from South Dakota?

Mr. COUZENS. I yield.

Mr. McMASTER. As a partial answer to the Senator from New Jersey I will say that it is reported that one of the large banks located in the Central West, one of the largest banks in fact, borrowed \$70,000,000 from the Federal reserve bank and immediately reloaned it to the brokers in New York. I wish to say that it is wholly within the province of the Federal Reserve Board to inspect the character of the loans of those banks who are taking money from the Federal reserve banks and if they are loaning it out for speculation the Federal Reserve Board have it wholly within their power to take some steps to stop it at least to that extent.

Mr. COUZENS. There is no question but what the Federal Reserve Board could have controlled the situation if they had had initiative. There are many ways in which they could have done it. If they had attempted to do something early in the inception of the orgy of gambling, they could have raised the discount rate and checked the whole thing. It is very easy for anyone who is not a member of the board or of any board or even a Member of Congress to criticize somebody else. I am not attempting to criticize any acts of the Federal Reserve Board. I do not know what their arguments were when they refused to raise the rediscount rate early in this orgy of gambling, but I do say that they certainly had information early enough in the situation to have done something to have prevented it from getting as far as it did and to have kept it from attaining its present colossal rise.

Mr. EDGE. Mr. President, will the Senator yield further?

Mr. COUZENS. I yield.

Mr. EDGE. May I refer to the suggestion made by the Senator from South Dakota and then I will promise the Senator from Michigan to take no more of his time? This is a question that could be debated very interestingly for hours, but I do not want to take the Senator's time.

I have heard it frequently suggested that it was possible for reviewing bodies such as the Federal Reserve Board and others to earmark loans. Perhaps it is to a certain extent, but I contend that anyone who suggests that any bank in the country, in the West or in the East or in any other section, can to any considerable degree control the use of the money they loan on proper security and refuse to loan it when they suspect that it is to be used for speculation is putting a pretty difficult and involved question up to the control of the board.

On one point the Senator suggested, without enlarging upon it, I think I am in agreement with him. I feel that the big menace in the situation to-day, which seems, however, to be improving because of the smash, is the large interest rates that have been paid on call loans in New York. If the Senator criticizes that I am in agreement with him. I think there should be some way to get at that matter so there would not be the temptation to send money from the West or any other section of the country. In my judgment, a 20 per cent call money rate can not be successfully defended. It is something to which the Banking and Currency Committee, in my judgment, can well afford to give careful attention and consideration. There may be a method of placing such profits in a class in the income-tax returns by itself to require larger tax payments. Or some other method in the nature of usury laws might be effective. I am not offhand prepared to say.

Mr. McMASTER. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from South Dakota?

Mr. COUZENS. I yield.

Mr. McMASTER. In reference to the Federal reserve bank having it within its power to curtail loans along certain lines or to certain types of industry, the Senator well remembers that in 1920 the Federal Reserve Board in Washington ordered an agricultural deflation, and anyone who followed the loans then that were made to the banks in the agricultural sections of the West knows that the order was effective and that the agricultural loans were curtailed by many hundreds of millions of dollars. That brought about the agricultural deflation and that came through a definite order of the Federal Reserve Board in Washington.

Mr. FLETCHER. Mr. President, may I interrupt the Senator in that connection?

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Michigan yield to the Senator from Florida?

Mr. COUZENS. I yield.

Mr. FLETCHER. The Banking and Currency Committee had before it at the last session a resolution offered by the Senator from Wisconsin [Mr. LA FOLLETTE] in connection with brokerage loans and we did go quite extensively into an examination of that question. We had before the committee members of the Federal Reserve Board and made an examination into some of the methods affecting this obnoxious and intolerable situation. We finally reached the conclusion, or some of the members of the committee at least did, to the effect that the Federal Reserve Board, if they did not have direct authority and power under the law to do this thing, indirectly and through their influence by being in touch with member banks of the entire system, could bring about a correction of that condition. That was rather assumed. I do not know that they said they could, but we finally left them under that impression, and I thought and still think that the Federal Reserve Board have within the scope of their influence, if not direct authority, the power to stop the bringing of money from different portions of the country and the banks sending their money to New York to be loaned on call at rates which went as high as 20 per cent. That is taking money from industry and using it for brokers' loans and gambling and speculation, which is a bad situation. I believe the Federal Reserve Board can stop that being done. It will be remembered that one banker in New York ignored the Federal Reserve Board's wishes in connection with the matter, but I think that was rather an exceptional case. I still think there is power in the board through their influence, if not directly authorized by law, to correct the situation.

Mr. EDGE. Have they not constantly admonished and is not that all the power they really have?

Mr. FLETCHER. Their admonition has had effect from time to time.

Mr. EDGE. I think it has.

Mr. COUZENS. The Senator refers to admonitions. There has been such a little slap on the wrist along that line that it has only caused a momentary flurry. There is no doubt in the first instance if the conduct of the board was not carried on in secrecy, if there was not a constant rumor in Wall Street and everywhere else of what the Federal Reserve Board were going to do, what they were thinking about doing, what they said in closed session, that there would not have been half the difficulties that now exist. I am confident that had the Federal Reserve Board talked openly and frankly at the beginning of this orgy of speculation and had said, "If this situation does not slacken up, if the rates for call money continue to rise, if this diversion of money from legitimate industry to the gambling crowd does not stop, it will be the policy of the Federal Reserve Board to raise the discount rate to a material extent," the situation would have been very different.

Does the Senator from Indiana wish to interrupt me?

Mr. WATSON. Yes.

Mr. COUZENS. I yield to the Senator from Indiana.

Mr. WATSON. I am sure that everybody agrees that the present situation is not a happy one for the country or a very fortunate one for large numbers of American citizens, and that everyone who thinks about such questions at all has been thinking about some way to escape from the present situation and some way in which we might prevent a recurrence of present conditions. However, of course, there is a wide divergence of opinion as to what the Federal Reserve Board might have done. I assume we all agree that the Federal Reserve Board does not fix the rate for call money in New York City. The rate is not fixed by the Federal Reserve Board.

Mr. COUZENS. Oh, certainly not; neither was the deflation of the agricultural industry in 1920 fixed by the Federal Reserve Board, but that board had sufficient influence and power to accomplish the very end it desired; and if it had desired to do it in this case it could have done it.

Mr. WATSON. Mr. President, there is much, I think, in what the Senator from Michigan says. Just how far the Reserve Board might have gone could be determined only empirically; that is, by actual experimentation. I do not think it is altogether true, as my friend from Florida [Mr. FLETCHER] seems to have indicated, that money was sent to New York for speculative purposes by banks. The truth about the matter is that large numbers of individuals all over the United States sent their money there. Suppose the Senator from Michigan wished to send a million dollars to a broker in New York City for speculative purposes, how could that be prevented?

Mr. COUZENS. I know of no way in which it could be prevented.

Mr. WATSON. No. On the other hand, corporations are now loaning money in large sums.

Mr. COUZENS. Yes; but I think every one of them violates its charter in doing so. I do not believe there is a single corporation in any State of which I know that has any right to engage in the money-lending business under the authorization of its charter. Take the corporation charters in the State of Michigan, for example, they do not authorize corporations when they take out a manufacturing charter to engage in the money-lending business.

Mr. WATSON. That is the very question I want to present to the Senator for his consideration.

Mr. COUZENS. I believe that nearly every corporation has violated the provisions of its charter when it has loaned money in Wall Street.

Mr. WATSON. If that could be definitely established, it would cut off a large source of the supply, because the corporations do lend vast sums of money in New York right now for that purpose, and they have been doing so.

Mr. COUZENS. I have not any doubt about it, and if I were the governor or the district attorney or the attorney general of a State I would prosecute upon adequate evidence—and I think it could be easily obtained—any corporation which had violated its charter by sending money into the Wall Street pool.

Mr. WATSON. The money so loaned, I assume, is in the shape of undistributed profits, although as to that I am not certain. I do not know what else they could employ in the call-money market; but as to just how far their authority goes to dispose of such undistributed profits in that way I am not prepared to say. At all events, however, it is a question that is worthy of consideration. It is not true, in my judgment, that the great volume of money that has gone to New York has gone there from banks in the West or elsewhere; but I think it has gone there from individuals and from corporations. As to how far that is subject to the control of the Federal reserve system is a question that is, at least, open to discussion.

Mr. COUZENS. I wish to say to the Senator from Indiana that, of course, there is a difficult situation confronting Congress

in determining how far it should go in restricting activities of members of the Federal reserve system.

Mr. WATSON. That is quite true.

Mr. COUZENS. In other words, many national banks are deserting the Federal reserve system and taking out State charters because of the greater liberties allowed under State laws. The greater the restrictions we place on national banks—and that has reference to the possible restriction of loaning money on call in Wall Street—the greater will be the number, of course, of those banks which will withdraw from the Federal reserve system and operate under State laws, and other banks will not become members of the Federal reserve system. So it is not a simple matter to say how far we should go in limiting the authority either of national banks or of State banks that may be members of the Federal reserve system.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. COUZENS. I yield.

Mr. BROOKHART. In regard to the suggestion made by the Senator from Indiana [Mr. WATSON] that the banks are not sending money to Wall Street—

Mr. WATSON. Oh, no; I said they were not sending it there in a large volume. I think the larger part of the money that has gone there has not gone from banks.

Mr. BROOKHART. Some months ago I made a survey of 12 of the banks in my State, and one of them included the second largest bank in the State. I found that the Iowa banks at that time on three different accounts had over \$500,000,000 of bank money in Wall Street. Part of that was redeposits with New York banks, part of it consisted of long-time bonds on which they received 4½ per cent, and a considerable portion was directly in the form of margin loans. From those 12 banks the estimate made by the bankers themselves showed that over \$500,000,000, which was over half of all the deposits in all the banks of the State, was in Wall Street.

Mr. KEAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from New Jersey?

Mr. COUZENS. I yield.

Mr. KEAN. I should like to ask the Senator from Iowa whether the money that was redeposited in New York did not really belong in New York, and was not, therefore, Iowa money which had been sent to Wall Street? In addition to that, I should like to ask the Senator whether the banks in Iowa do not always keep deposits either in New York or in Chicago or somewhere near the sum he has mentioned, because they must have a surplus fund somewhere on which they can immediately draw on account of the demands which may be made upon them?

Mr. BROOKHART. I will say to the Senator that the theory of New York is that that money belongs in New York, although it was earned out in Iowa and deposited in Iowa banks. The Iowa banks get 2 per cent on their redeposits in New York—that is all they get for it—but they have no place else to send it where they can get even 2 per cent, and the Federal reserve law gives the New York banks that monopoly over Iowa money. On that theory, I presume, the money belongs to New York.

Mr. KEAN. Mr. President, I should like to reply to the Senator.

The VICE PRESIDENT. Does the Senator from Michigan yield further to the Senator from New Jersey?

Mr. COUZENS. How long is the Senator going to take to reply?

Mr. KEAN. Only a moment.

Mr. COUZENS. Very well; I yield.

Mr. KEAN. I should like to say to the Senator from Iowa that New York is the only place in the world where there is a call-money market. Such a market does not exist in London; it does not exist in Paris; it does not exist in Berlin. New York is the only place in the world where it does exist; and, therefore, when the call rate goes up in New York it attracts money, and a great many million dollars from all over the world flow into New York because it has a call-money market.

Mr. COUZENS. Mr. President, may I ask the Senator from New Jersey if he believes that the call-money situation can be corrected by legislation?

Mr. KEAN. I do not.

Mr. COUZENS. I wish to say that I disagree with the Senator, for, so far as the members of the Federal reserve system are concerned, the call-money situation can by legislation be corrected.

Mr. BROOKHART. Yes; Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. COUZENS. I yield to the Senator from Iowa.

Mr. BROOKHART. It can also be corrected as to the State banks by denying them the United States mails and the privileges of interstate commerce, and we certainly can remedy the situation as to the member banks of the Federal reserve system.

Mr. COUZENS. Mr. President, since we have been diverted I wish to say a few words in regard to the Federal reserve banks. There is not any doubt that by legislation and by administration of the Federal reserve system the situation which now exists in New York in connection with the gambling in stocks can be remedied. The whole theory of the organization of the Federal reserve system was that it should function as a protection to industry. The whole purpose of rediscounting, the whole purpose of making currency liquid was to take care of emergencies in the industries. For those reasons the Federal reserve system was organized. I contend that that object has been largely defeated by the failure of the system itself properly to recognize its responsibilities and duties. I contend that the present situation should never have been permitted to have reached its present proportions. I contend that it has cost industry, manufacturing, retail and other business, as well as farming, hundreds of millions of dollars that can not be possibly justified under any conception of the organization of the Federal reserve system. I believe that the Federal Reserve Board, knowing the purpose for which it was organized, could have prevented the present situation just as readily as it could have prevented any other situation that it was intended to prevent when it was organized.

Mr. LA FOLLETTE. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Wisconsin?

Mr. COUZENS. I yield.

Mr. LA FOLLETTE. I agree entirely with the position taken by the Senator from Michigan; and 18 months ago I introduced a resolution calling upon the Federal Reserve Board to exercise its power to curtail the credit which was being taken from the Federal reserve system and used for speculative purposes on the stock exchange. That resolution further provided that in case the board did not agree with the Senate that it had such power it should recommend to Congress what legislation was necessary in order to give it that power. If the friends of the speculative activities in New York had not prevented the adoption of that resolution, the responsibility would have been placed upon the board either to have corrected the evil or to have recommended to Congress legislation which would give the board the power to correct it.

Mr. COUZENS. The Senator knows very well that the influences are so great that there is no legitimate effort being exercised anywhere by high authority to curb speculation.

Mr. LA FOLLETTE. I agree with the Senator absolutely. There were Senators here on this floor who prevented that resolution from being adopted even after it was recommended by the Committee on Banking and Currency.

Mr. COUZENS. O Mr. President, I have not the slightest doubt about that—and I do not impute bad motives to anybody—because even the very wise Senator from Utah, the chairman of the Finance Committee, argued with me months ago that the orgy of gambling in New York and the high rate of call money would not affect the interest rates to industry. He said that the customers of the banks could go to the banks and get money at the same rate of interest for which they always had obtained it, regardless of the call-money market. I think the Senator has changed his mind because he knows now that money borrowed by legitimate industry is higher than it ought to be; that bills discounted are higher than they ought to be; that commercial paper is higher than it ought to be. And why? Because the free money of the country that ought to be subject to use by industry is now being used for gambling purposes in New York.

Mr. HEFLIN. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Alabama?

Mr. COUZENS. I yield to the Senator from Alabama.

Mr. HEFLIN. I understood the Senator to say that he thought the Federal reserve system was a great system and that it was capable of preventing all these things that are now occurring. I think it is a great system, and that it could prevent these things, but it has not done so.

In line with what the Senator has said, I hold two newspaper clippings in my hand, one saying that wheat is below a dollar a bushel and the other that cotton lost a dollar and a quarter a bale, and that these losses were brought about by the break in the price of wheat and cotton caused by speculation on the stock exchange. The evil effect of this speculation is being felt directly in the speculation in grain and cotton and other farm products.

Mr. COPELAND and Mr. EDGE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Michigan yield; and if so, to whom?

Mr. COUZENS. I yield to the Senator from New York, who rose first.

Mr. COPELAND. Mr. President, I am very glad the Senator from Michigan has precipitated this discussion. A little while ago he said that there was increasing difficulty in getting money for commercial purposes, legitimate industrial purposes, except at a high rate. That is not the worst of it. It can not be had at all. There are a great many commercial institutions that are limiting their activities because they can not get the necessary money. I think nothing is more important than to find some solution of this problem, because you gentlemen across the aisle have problems to solve. You do not have to talk about my friends in Wall Street. You have problems to solve, because otherwise you are going to have increasing unemployment.

Mr. COUZENS. I disagree with the facts stated by the Senator. I think he is all off on his facts. There is no difficulty in legitimate industries getting money. They can get money; but the price they have to pay is exorbitant, because they are competing with the gamblers in New York.

Mr. COPELAND. The answer to that is that the institution which can afford to pay the high rate gets the money, while a more modest institution, not being able to afford that high rate, can not get it.

Mr. EDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from New Jersey?

Mr. COUZENS. I yield to the Senator.

Mr. EDGE. Referring to the general criticism that has been made of the Federal Reserve Board, I think it would be a wonderful tribunal, clothed with any possible power that Congress could delegate to a board, that could maintain an equilibrium in credit conditions that would prevent people from having losses. I should like to see the legislation suggested that could possibly bring that millennium about. Some reforms, no doubt, can be instituted; but let us be fair with the Federal Reserve Board. People's natures can not be changed through legislation; and people will speculate, and sometimes with their own money.

Mr. COUZENS. Let me say to the Senator that no one suggests that the Federal reserve bank or any other governmental agency can prevent fools from losing their money. No one even suggests it.

Mr. EDGE. It has been suggested various times in the debate to-day, if I interpreted the debate correctly.

Mr. COUZENS. Oh, no; I disagree. The Senator can put any construction that he chooses on the language I used; but he has asked a number of very smart questions that have been difficult to answer. Whether or not they were trick questions I should not like to say.

Mr. EDGE. The Senator would not accuse the Senator from New Jersey of indulging in trick questions?

Mr. COUZENS. Well, the Senator said they were gambling with their own money. That was a very nice thing to have gotten by with if it had gotten by; but the facts are that they are not gambling with their own money.

Mr. EDGE. Not entirely.

Mr. COUZENS. No. They are not gambling with more than a small part of their own money. They are gambling with the money that belongs to the Nation for legitimate industrial purposes.

Mr. GLASS. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. COUZENS. Just a minute. No one suggests that the Federal Reserve Board have the power to make profits or losses for individual users of the system. I do contend that they have adequate power, through the direction of policies granted them by Congress, to control the situation within legitimate bounds. I do not believe they should have the power to say who shall lose money or who shall make money. I do not believe they should have the power that some people believe they should have; but they have the power, by the direction of policies and constructive administration of the service, to control the currency problem of the United States. If not, however, we had better do it all in the Government rather than to establish private agencies to do it.

Mr. GLASS and Mr. LA FOLLETTE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Michigan yield; and to whom?

Mr. COUZENS. I yield to the Senator from Virginia.

Mr. GLASS. Mr. President, I agree thoroughly with practically everything that the Senator from Michigan has said,

and I hope in a few days to be able to address the Senate briefly on the subject of the Federal reserve administration.

The Senator from New York [Mr. COPELAND] is mistaken, as the Senator from Michigan insisted, in saying that legitimate enterprise can not get funds at any price.

Mr. COPELAND. No, Mr. President; that is not what I said.

Mr. GLASS. That is what the Senator said, as he will see if he will have the reporter read his notes.

Mr. COUZENS. I think the Senator from Virginia is inaccurate. I think the Senator from New York said that the price of money was so high that some industries could not afford to pay the price.

Mr. GLASS. That is what the Senator added afterwards; but he said, as the reporter's notes will show, that legitimate business could not get funds at any price. But, be that as it may—

Mr. COPELAND. Mr. President, will the Senator yield at that point?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from New York?

Mr. COUZENS. I do.

Mr. COPELAND. I desire to say this, and it is what I thought I had said: That because of the withdrawal of funds from the banks it is now extremely difficult for the small industrial institutions to get money, because they can not compete with the larger and richer ones in paying the high prices that are demanded.

Mr. GLASS. That is a modification of what the Senator actually did say, and that is a statement of fact; but what I wanted to say was that any legitimate commercial or industrial enterprise in existing circumstances, upon paper eligible for rediscount, can get accommodated at any Federal reserve bank, because the reserves of the 12 Federal reserve banks range from 72 to 80 per cent to-day, showing that they have ample facilities to make commercial and industrial loans. All that people have to do is to present eligible paper and get their credits; but what the Senator has last said is absolutely correct. The high money rates are such that not only are commercial enterprises and industrial business heavily taxed for their essential credits, but even States and communities have been obliged to defer necessary public improvements because they can not get accommodations at reasonable rates; and they can not get them because the gamblers have run away with the money market in New York.

While I am on my feet, let me say to the credit of the Federal Reserve Board—which is, as the Senate knows, an altruistic body; it has no interest whatsoever in banking or in credits—that it has vainly but persistently been trying for the last six months to establish a policy that the law itself makes mandatory upon the banks and the board, and that should have been established long ago, and, if established long ago, would have averted this difficulty.

Mr. COUZENS. Will the Senator point out to me what efforts have been made in the last six months to accomplish that end?

Mr. GLASS. Yes; I will. The New York bank, since the 14th of last February, has been pounding the Federal Reserve Board to increase the rediscount rate on commercial paper.

Mr. COUZENS. Will the Senator yield there for a moment? I think the Senator and I are not in disagreement.

Mr. GLASS. Not at all.

Mr. COUZENS. The Senator is talking about the Federal reserve bank; but I am talking about the policy of the Federal Reserve Board.

Mr. GLASS. I am talking about both, if the Senator will permit me. I say that the Federal Reserve Board, since the 14th of last February, has been pounded every week by the directors of the New York Federal Reserve Bank to permit that bank to penalize legitimate commercial transactions in this country by raising its rediscount rate. With perhaps a single exception, there has not been a meeting of the board of directors of the New York Federal Reserve Bank in that period which has not raised its rediscount rate, subject to sanction by the Federal Reserve Board; and there has not been a week that the Federal Reserve Board has not refused to sanction the raise.

Mr. COUZENS. Why?

Mr. GLASS. By every influence, legitimate and illegitimate, by threats and otherwise, that New York crowd has been trying to compel the Federal Reserve Board to raise its commercial rediscount rate; and it has refused by a very narrow margin within the board. As I pointed out publicly six or eight weeks ago, when an outstanding director of the New York Federal Reserve Bank—the president of the largest bank in the Western Hemisphere—defied the board, and publicly avowed that

his obligation to the stock gamblers was superior to his obligation as a sworn officer of the Federal reserve system, what the board should have done was to have kicked that fellow out of his position before noon of the day upon which he made that announcement. Had it done that, it could have retrieved itself, and recovered somewhat of its lost prestige, and had it understood that under the law it was the supreme authority in Federal reserve banking. That is what should have been done.

Mr. COUZENS. Does the Senator believe, in making the argument he has just made, that the Federal Reserve Board should have raised the rate, or kept the rate where it was?

Mr. GLASS. Why, I think it should have kept it where it was. That is what I think. I think the Federal Reserve Board deserves the greatest commendation for its refusal to be influenced by this stock-speculating crowd up there. What those people want is a recurrence of what happened 10 years ago. They have run away with the market. They have been permitted to use the trust credits of the Federal reserve system for stock-gambling purposes, which they should not have been permitted to do, and which the law inhibits their doing. They were permitted to do that; and now, to correct the situation that they themselves have precipitated, they want the commerce and industry of the country penalized by a raise in the rediscount rate. No; it should not be done, and the Federal Reserve Board at Washington deserves to be commended for resisting that powerful influence.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. COUZENS. Let me ask the Senator if at any period from the beginning of this orgy of gambling there was a time when the Federal Reserve Board could with propriety have raised the rediscount rate?

Mr. GLASS. I scarcely think so. Why, I will ask the Senator, should the commercial rediscount rate be raised? Only in the event that the demands upon the system are such that the reserves of the Federal reserve banks have been depleted to such a point as to make it dangerous to continue rediscounting at a given low rate.

Mr. COUZENS. Let me say to the Senator that I am in entire disagreement with his theory of the rates controlled by the Federal Reserve Board. Let me point out incidents that I know of, and I have not any doubt that they could be named by the thousand.

Not only do banks lend money to industry, we will say to a department store, to a manufacturer, to a grocer, to a dealer in any commodity, legitimate loans at 4½, 5, 6, or 6½ per cent, but then what do they do? When the call-money market gets high, they take that commercial paper and rediscount it at the Federal reserve bank, and use the money they get out of the Federal reserve bank to send to New York to get the outrageous call-money rate.

Mr. GLASS. Exactly; and what I am saying is—

Mr. COUZENS. Let me say, before the Senator gets on to the other point, that had the Federal reserve bank raised the rates before that orgy started, there would not have been the incentive for the banks of the country to send their money to New York at call-money rates.

Mr. GLASS. Oh, no; had the Federal reserve bank done what the law makes it mandatory for the Federal reserve bank and the Federal Reserve Board to do, had the Federal reserve bank said to its member banks, engaged in that sort of system, "You can not rediscount with us at any rate if you are going to use your funds for stock-gambling purposes," we never should have had a situation like this. But it was the failure of the Federal reserve bank, and the failure of the Federal Reserve Board, to adopt a policy made mandatory in explicit terms by the law itself that caused those banks to use their rediscount credit for stock-speculative purposes. And now the Federal Reserve Board is engaged in the very practice that should have obtained all along of warning member banks that they can not rediscount, not even their eligible paper, with the Federal reserve bank if they are going to persist in contributing to this orgy of stock gambling. That should have been the fixed policy of the board; that should have been its invariable policy; and when the greatest bank president in the country defied the board and avowed his superior obligation to the gamblers as over against his official obligation to the system he should have been incontinently kicked out of the system.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. COUZENS. I would like to make one statement before we get the continuity of the debate disturbed.

The Senator from Virginia, then, admits that this whole situation has been developed through the incompetency or the inadequacy or the impotency of the Federal Reserve Board.

Mr. GLASS. I freely admit that the Federal Reserve Board, had it administered the system as the law requires, could have averted this difficulty.

Mr. COUZENS. That is the statement the Senator from Michigan made at the beginning of these comments.

Mr. GLASS. I am not disagreeing with the Senator from Michigan.

Mr. COUZENS. And the only point I hesitate to be dogmatic on is at what period during this time certain specific acts of the board should have been taken.

Mr. GLASS. They should have been taken long ago.

Mr. COUZENS. I yield to the Senator from New Jersey.

Mr. EDGE. Mr. President, it seems to me this colloquy illustrates better than anything else just how difficult this problem is to solve. Here is a demonstration of two sincere Senators in agreement to a great extent as to conditions, probably entirely so, absolutely differing as to the remedy. The Senator from Virginia very frankly stated that he believed the Federal Reserve Board should be complimented for maintaining the rediscount rate as they have done through these various months. The Senator from Michigan just as earnestly, no doubt, having reached his conclusions absolutely through his investigation, takes absolutely the opposite view.

Mr. COUZENS. O Mr. President, before the Senator—

Mr. EDGE. I do not want to misquote the Senator, but time after time during the colloquy in which I have engaged with him he has stated—I am sure I am correct in the assertion—that if the Federal Reserve Board had raised the rediscount rate a long time ago we would not have had the present condition. Is not that correct?

Mr. COUZENS. The Senator involves the matter by not going back to the beginning of the discussion. Perhaps the Senator from Virginia and I disagree on the immediate thing we believe necessary to be done. I pointed out at the beginning that the Federal Reserve Board had sufficient power to declare a policy which would have prevented this orgy in gambling and the diversion of money from legitimate industry to the gambling market. At that time I did not say that it was desirable to raise the rediscount rate, so that I have not contended—nor do I differ with the Senator from Virginia—that all during this period the Federal reserve banks should not have raised the rediscount rate. I contend that had the Federal Reserve Board openly announced what it intended to do there may never have been a time when it would have been necessary to raise the rediscount rate. What I do say—and perhaps this is wherein I differ from the Senator from Virginia—is that this situation having been permitted to arise at some time in the past six months or so, a more immediate correction could have been attained by a raise in the rediscount rate to prevent the banks doing the very thing which I have pointed out they are doing, namely, taking out of their folders industrial paper and rediscounting it for the purpose of using the proceeds in the gambling markets of New York.

Mr. GLASS. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. COUZENS. I yield.

Mr. GLASS. I may say that had the Senator embarked upon a scheme of that sort there is no telling to what degree he would have penalized legitimate commerce in order to abate stock gambling, and I for one do not think that legitimate commerce ought to be penalized one stiver to prevent people from gambling in stocks. As a matter of fact, it is a seriously debatable question as to whether or not the existing rediscount rate of 5 per cent is a fair rate for commerce in time of profound peace, when the Federal reserve banks have reserves ranging from 70 to 80 per cent. That is what those people up there want. That is what they deliberately did in 1919 and 1920, I will say to the Senator.

We have been hearing for 10 years about the Federal Reserve Board deflating the country. As a matter of fact, the country was absolutely deflated then, before the Federal Reserve Board ever pretended to curtail the credits of a single bank in this country. In December, 1920, wheat had gone down 50 per cent, cotton had gone down from 43 cents and a shade to 11 cents. Corn and oats and everything else had shrunk correspondingly, beginning with the debacle in silk in Japan, while the newspapers, and the Senate itself by resolution, were calling upon the Attorney General to put the profiteers in jail. The country had gone on a strike. No merchant was stocking up. They were living from hand to mouth. In December, 1920, the country was prostrate, every product of the farm and everything else that was to be sold was down. The buyers were on strike. Not yet had the Federal reserve banks raised their rediscount rate one stiver.

Then what happened? After the country had been thus deflated and was prostrate, all except the stock gamblers, several Federal reserve banks were induced to raise their rediscount rate.

What happened? The whole odium of deflation was transferred from the New York stock gambler to the Federal reserve banking system, and the whole agricultural industry of this country was arrayed in hostility, and has since been arrayed in hostility, against the Federal reserve banking system, upon the supposition that the raise in rediscount rates deflated the country.

That is the crafty proposition now of these gamblers who have created this situation. They want the Federal Reserve Board at Washington to authorize a penalty upon legitimate commerce by a raise in the rediscount rate to transfer from themselves the odium and the exasperation of the public against them for this unconscionable and wicked riot in gambling. The only way to correct it is to put a tax upon the gamblers, and that I am going to suggest be done at this session of Congress.

Mr. COUZENS. Mr. President, in connection with the statement of the Senator from Virginia, the thought occurs to me that governmental action was precipitated in the interest of industry because of the high surtaxes. It was said that money should not be taken out of legitimate industry to pay governmental debts. The press of the country seemed to be unanimous in that sentiment. Now, I do not see the press, nor do I see high Government officials, urging that money be taken out of the gambling pool for legitimate industry. In other words, there is no protest about the money of the country going to the gambling pool as there was when the money of the country was coming to the Federal Government to liquidate its national debts.

Mr. GLASS. Mr. President, I may state to the Senator, on the contrary, that we not only do not see protests, but we saw the extraordinary and unprecedented spectacle of a high official of the Federal Government deprecating any criticism of this riot of stock gambling, and saying that it was not an unhealthy symptom.

Mr. COUZENS. Of course, the Senator knows that those people who talk that way have gained and continue to gain hundreds of millions of dollars as the result of this situation.

Mr. GLASS. The person who talked that way was the President of the United States, who literally jumped into the stock pit and said there was nothing to be apprehended from this riot of six billions of dollars of credits in stock gambling.

Mr. COUZENS. I mentioned no particular individual. I said those who generally proposed leaving this gambling situation alone are the ones who are gaining as a result of it.

Mr. KING. Mr. President—

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Utah?

Mr. COUZENS. I yield.

Mr. KING. I will put into the Record in a few moments, with the permission of the Senate, a statement appearing in the New York Times made by ex-President Coolidge a short time before the statement referred to by the Senator from Virginia was made, in which he referred to the unprecedented—up to that time—volume of loans to brokers and stock dealers by the New York Federal reserve member banks. These loans held by the New York banks, January 9, 1929, the date of the statement referred to, amounted to nearly \$4,000,000,000, and the then President said that he saw nothing unfavorable in the situation.

Mr. KING subsequently said: Mr. President, I stated a few moments ago that I desired to offer as a part of my remarks a statement by Mr. Coolidge appearing in the New York Times, in which he commented upon the credits extended by the New York banks to brokers. I ask that the entire statement may be printed as a part of my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

[From the New York Times, January 7, 1929]

WASHINGTON, January 6 (A. P.).—Although loans to brokers and dealers held by New York Federal reserve member banks have reached the unprecedented height of \$3,810,023,000, President Coolidge does not see any reason for unfavorable comment.

The loans are larger than at any time within the history of the Federal reserve system, and are about a billion dollars in excess of those reported on January 5, 1927. During the last month they increased by about \$100,000,000, and except for a few minor fluctuations they have increased steadily for the last 18 months.

The President, it was said at the White House to-day, believes that the increase represents a natural expansion of business in the securities market and sees nothing unfavorable in it.

While feeling that this increase in brokers' loans is only natural, the President was represented as not attempting to qualify as an expert on the Federal reserve system. In a general way, however, he believes the growth of securities in recent years and of bank deposits would result naturally in greater brokerage business, with the resultant expansion in brokers' loans.

The President, it was explained, does not feel that he is in a position to say whether the loans have reached the stage of disproportion with the resources of the country.

The reports that President Coolidge saw no danger in the mounting total of brokers' loans, received after the close of the stock market, attracted interest in Wall Street. The brokers' loans in recent weeks have figured largely in discussions as successive new high records were established.

Two compilations of the loans are made, a weekly statement by the Federal Reserve Board and a monthly summary by the stock exchange. The latest statement by the Federal reserve authorities issued on Thursday placed the collateral loans to brokers by the Federal reserve member banks in New York City at \$3,810,023,000, the highest ever reported, and an increase of \$92,401,000 for the week. The present total represents an increase of \$466,246,000 since October, when the present expansion began; and an increase of \$991,462,000 since the beginning of 1927. The Federal reserve's report came out the day after the stock exchange had announced an increase of more than \$341,000,000 for December in its compilation of brokers' loans, resulting in a total of \$4,432,907,321, the largest on record.

The two sets of figures usually move in the same direction, but they are not identical since many stock exchange brokers get loans from institutions which are not members of the reserve system, and reserve member banks make loans to brokers who are not members of the exchange.

Mr. GLASS. Mr. President, may I interject there—

Mr. COUZENS. I yield.

Mr. GLASS. I have not sought in this, as I never have in my whole public career, to give any partisan purpose to a problem of this kind. I do not care whether it was President Coolidge or President Somebody Else, whether he was a Republican or whether he was a Democrat. I deal with the matter as an economic proposition which affects the business of the country, every man, woman, and child in the country, and not as a partisan proposition.

Mr. COUZENS. The Senator does not charge me—

Mr. GLASS. What I rose a while ago to say I did not say; that is, that if the Senator should once embark on the policy of penalizing legitimate commerce by a raise in the rediscount rate in order to put a stop to stock gambling, there would be no end to it. If the rate should be raised from 5 to 6 per cent, that would not do it. What does 6 per cent mean to a stock gambler who expects to make 50 per cent upon his venture? Then the rate would be made 7 per cent, and then 8, and 10, and so on progressively penalizing commerce in order to put a stop to stock gambling which never should have been permitted at all, and which the Federal reserve act in terms literally prohibits.

Mr. COUZENS. Before the Senator sits down may I say I do not assume he is charging me with being partisan?

Mr. GLASS. Oh, no, no! I just did not want the Senator to think that I was.

Mr. COUZENS. I have been criticized for not being partisan.

Mr. GLASS. I do not charge that, and I do not entertain that thought.

Mr. COUZENS. Now we come back to the business before the Senate. On page 3 of the bill subsection (b) reads:

All certificates of indebtedness and Treasury bills issued hereunder (after the date upon which this subdivision becomes law) shall be exempt, both as to principal and interest, and any gain from the sale or other disposition thereof shall be exempt from all taxation.

In line 3, page 4, I move to strike out the words "and any gain from the sale or other disposition thereof shall be exempt from all taxation." I offer that as an amendment to the bill.

I want to say in this connection that to the other features of the bill I have no objection and I believe that the passage of the bill with that exception will save much money to the Government in its refinancing operation.

Mr. McKELLAR. Mr. President, may we have the clerk state the amendment?

Mr. COUZENS. I will restate it for the Senator. If the Senator will look at page 3 of the bill, in line 4, he will see there the words which I have moved to strike from the bill, as follows:

and any gain from the sale or the disposition thereof shall be exempt from all taxation.

If those words are stricken from the bill, so far as I am concerned, the bill is all right.

The VICE PRESIDENT. May the Chair call the Senator's attention to the fact that the words "from all taxation" in line 5 applied to the words preceding those which the Senator desires to strike out?

Mr. COUZENS. The present bonds are all tax exempt. There are other bonds that have been issued that are tax exempt in limited amounts. As respects those matters I do not particularly object to them being tax exempt so far as anything is concerned except the capital gain. In other words, I have no objection to the Federal bonds being exempt from taxation to the same extent that State and municipal bonds are exempt. I will support any other amendment that anybody else chooses to offer in that connection, but I believe that Federal bonds should be on the same basis as State and municipal bonds. I confess to the fact that the Chair is right, that this is a diversion from the usual principle of taxing these bonds.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Michigan.

Mr. SMOOT. Mr. President, the Treasury Department is very anxious that those words remain in the bill. That part of the bill is one which was perhaps most discussed before the committee. The committee as a whole, with the exception of the Senator from Michigan, thought that it was the proper thing to leave those words in the bill. Instead of costing the Government any money it will, in my opinion, save the Government thousands and tens of thousands of dollars. However, I want the Senate to express its opinion and I have no objection to a vote upon the item, if the Senators want the yeas and nays.

Mr. COUZENS. I want to make one exception to what the Senator from Utah just said. The Senator said the Treasury Department was exceedingly anxious to have that language retained in the bill. Mr. Ogden Mills did not strenuously urge that the language be retained in the bill because it was pointed out that bills of acceptance and other financial transactions in the market do have to pay a capital-gain tax and it was pointed out there was no more intricacy involved in these cases than in this case. There is no urgency on the part of the Treasury Department, so far as it was represented by Mr. Mills before the committee, that the specific language be retained in the bill.

Mr. SMOOT. There is no question in my mind but what the administration of the collection of the tax is just as simple on this as on any other bond or certificate issued by the Government of the United States. That question is not involved. The only question for the Senate to decide is whether it would be money in the pockets of the Government to sell these bills with an average life of not to exceed 45 days tax exempt from the gains that may be made upon them, or whether it shall sell them and then let the profits that are made upon them be exempt from taxation. That is all there is to it. It is only a matter of opinion. I hope the Senate will take a yea-and-nay vote on it.

Mr. COUZENS. Of course, the Senator is only making an assumption when he says 45 days.

Mr. SMOOT. I used what I believe to be the average.

Mr. COUZENS. That is not the question. It may be a much longer period than 45 days.

Mr. SMOOT. It could not be unless we increased the amount of our obligations. If the Government of the United States got into a position whereby we had to increase our obligations over what they are to-day, then I could not say that; but we know that as long as there is a decrease every year in the outstanding obligations of the Government, the certificates will be less each year and the life of them would be only between the sale date and the end of the three months. I took the average. It may be 50 days, or it may be 60 days, or it may be 40 days.

Mr. COUZENS. Does not the Senator agree that there is now an effort under way to have Congress repeal all of the capital-gain tax?

Mr. SMOOT. That has been true ever since we passed the first bill imposing a tax upon capital gains. The Senator is right, but there is no inclination on the part of the Finance Committee of the Senate or the Ways and Means Committee of the House to do such a thing. There is propaganda to have us do so and I am perfectly aware of it, and it will be kept up as long as anyone is compelled to pay that tax; but, in my opinion, the day will not come when Congress will act favorably on any such propaganda.

Mr. COUZENS. Is it not true that the Treasury Department on several occasions recommended the repeal of the capital-gains tax?

Mr. SMOOT. I think there were two occasions in our hearings when the question arose, and there was an expression on the part of some of the members of the Treasury Department to the effect that if that were done the Government of the United States would lose no money.

Mr. COUZENS. If that entering wedge is permitted to become effective to exempt any form of security from capital-gains tax, every Senator knows that it will be used as an argument by every agency that desires a repeal of the capital-gain tax.

Mr. SMOOT. It would have no effect whatever on anybody who knew the workings in the department. These bills are not to draw interest. They are to be bought outright. If anyone did buy these bills at 99%, we will say, and sold them at 100, there would be that profit of one-eighth. Whether they can do it or not depends entirely upon the money market. I think it is unnecessary, but I am not going to make any special fight over it.

Mr. REED. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. SMOOT. I yield.

Mr. REED. I think we ought to bear in mind that at the present time all of these certificates of indebtedness and Liberty bonds are absolutely tax free in the hands of the corporations—

Mr. COUZENS. Not as to capital gain.

Mr. REED. Wait a minute. The interest on certificates of indebtedness, on Treasury notes, and on Liberty bonds is absolutely tax free when they are held by a corporation.

Mr. SMOOT. That is true.

Mr. REED. If the Treasury wants to issue \$100,000 of 4 per cent certificates with coupons attached for the payment of the interest, no bank or corporation that holds those notes—and most of them are held by corporations—is subject to one penny of tax thereon. The Treasury bills are intended to take the place of short-term Treasury certificates. In order to prevent the necessity of selling them at a flat price fixed in advance by the Treasury, or somewhat under the market in order to make sure they will sell, the Treasury has invented this idea of Treasury bills, somewhat similar to those now used in Great Britain by the Exchequer, in which they sell non-interest-bearing bills at a discount, exactly the same as a bank discounts a 30-day note which is payable at the end of 30 days without any interest. There is an apparent capital gain when a bank buys a 30-day note at a discount, but actually that capital gain represents the hire of the money for the interval that elapses between the purchase and the maturity date.

Mr. COUZENS. The Senator has made two statements—

Mr. REED. I have made more than that.

Mr. COUZENS. I know he has made many more than that, but he has made two statements which I am afraid are misleading. In the first place, he said that certificates of indebtedness and Federal bonds held by corporations and banks are nontaxable.

Mr. REED. The interest on them is nontaxable. That is correct.

Mr. COUZENS. We are not discussing interest. We are discussing capital gain. The inference goes out that the bonds are not taxable in the hands of corporations. I contend that if there is a capital gain, they are taxable in the hands of a corporation.

Mr. REED. Precisely; and there the Senator puts his finger on the difference. If there is a capital gain in a transaction involving a 4½ per cent Liberty bond, that is a true capital gain, and it is not interest. The coupon represents the interest on that investment. These certificates are to have no coupons, and ordinarily the capital gain in the five or six weeks that they would be held would represent the interest. It is the hire for the use of the money.

Mr. COUZENS. Before the Senator proceeds farther, I want to correct him in one respect. The Senator creates the impression that there can be no capital gain because it is all interest. If I buy one of those bills due September 1, 1929, and I buy it at 98 and sell it to-morrow at 99, there is a capital gain not represented by the interest to which the Senator has referred.

Mr. REED. Of course there is.

Mr. COUZENS. I say the statement is misleading because it is not all interest. It depends upon the time that elapses between the issuance of the security and the date of maturity.

Mr. REED. If the Senator wants to imagine such an extravagant illustration as that a Treasury bill will appreciate 1 point in the course of a day or a week even, of course in such an illustration there is a capital gain in excess of the amount of the interest paid for the use of the money. But if the Senator will bear with me for a moment, I want to show what the effect of the amendment would be.

This would be the practical effect of the amendment: I personally do not care a rap whether the tax-exempt feature remains in the bill or not; but if we are going to make interest on Treasury certificates tax exempt—and that is what we have

done, because no corporation pays a penny of tax on certificate coupons—then there is no sense in providing for Treasury bills at all. If a corporation knows that it is going to have to pay a tax on the amount of the discount at which it purchases the Treasury bills under par—whether we regard it as a capital gain, as my friend from Michigan does, or whether we regard it as the hire of the money, as I do, does not make a particle of difference—no bank is going to buy Treasury bills on the same interest basis on which it will buy Treasury certificates, because one is free from tax and the other is subject to 11 per cent tax on all that gain. So there would be no use of initiating the system of Treasury bills if we are going to tax the fractional appreciation in the value. Banks will not buy them or else they will buy them at a discount, which is that much greater, so as to take care of the tax. We are just beating the devil around the bush if we try to make that fraction taxable, because we have to pay it to the bank, and then we go and tax the bank and get it back to ourselves. We had better get the advantage of the lower discount rate.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Michigan [Mr. COUZENS].

Mr. COUZENS. Mr. President, I wish to answer the Senator from Pennsylvania [Mr. REED]. He is a very plausible debater, and what he says is substantially correct, except that to eliminate this provision would not defeat the purposes of the Treasury Department. All of the advantages that the Treasury Department would get under this proposed law will still be retained, even with the amendment which I propose, except a possible slight difference in the interest rate because of the fact that the banks may have to pay on the capital gain; but that is all problematical. The Undersecretary of the Treasury stated before the Finance Committee that the same identical bills of indebtedness, when traded in commerce, are subject to a profit tax. When a bill is traded in commerce, an acceptance, or what not, if there is a capital gain, it is taxed. There is no difference whatever. Whether or not we take the money out of one pocket and put it into the other, the fact is that if we shall adopt the principle of exempting securities from the capital-gain tax we shall establish a principle which will return to plague us so long as we have the capital-gain tax on the statute books.

Mr. REED. Is there not this distinction: When we tax a bank on the amount it receives in discounting John Smith's 30-day note we are getting the money either from the borrower or the lender; the Government does not pay out the money and immediately get it back, but in this case the Government is the borrower, the maker of the note, and, therefore, I do not see any sense in paying out extra interest and immediately taking back the same money in additional taxes?

Mr. COUZENS. In that event why should we not make all of the Government securities exempt from the capital-gain taxation? In other words, if the Government is selling certificates of indebtedness or Federal bonds on which there are no taxes on capital gains, unquestionably we could get a better price for them.

Mr. REED. If I had my way, there would not be any tax-exempt bonds at all. The Senator from Michigan asked me that question; but that is not practicable now, because we have put that law into effect and can not repeal it without breach of faith. However, so long as we have a great mass of \$17,000,000,000 of outstanding securities, the interest on which is tax exempt, in the hands of corporations, and if we desire the securities to be issued under this bill to compete with the others and sell on the same interest basis, we have got to give them the same privilege.

Mr. COUZENS. If the Senator is correct, there is not any reason why we can not repeal the law which makes the income on other Federal securities taxable.

Mr. REED. The Senator does not mean that we can tax Liberty 3½ per cent bonds, for example?

Mr. COUZENS. No; I am saying just the reverse. I am saying that there is nothing in the world to prevent Congress from repealing the law which makes other Federal bonds taxable; I do not mean the tax-exempt bonds, but those that are taxable.

Mr. REED. Yes; there is. If we issued all our Liberty bonds and Treasury notes and Treasury certificates—

Mr. COUZENS. And they are all taxable.

Mr. REED. With the stipulation that they shall be wholly exempt from the normal tax.

Mr. COUZENS. I am not talking about the normal tax.

Mr. REED. The normal tax is all a corporation pays.

Mr. COUZENS. I am talking about capital gains. If it is desired to exempt these securities from the capital-gain tax, why not exempt all other Federal securities from the capital-gain tax?

Mr. REED. Because what the Senator calls capital gain here is really the hire of money; and that is not true of the others; they carry coupons.

Mr. COUZENS. But the principle is exactly the same. If there was not an advantage in having the capital-gain tax provision not apply to these securities, it certainly would not be included in the bill. The Senator from Pennsylvania shakes his head, but why does he want this provision in the bill if there is not some advantage to the Government from it?

Mr. REED. The advantage to the Government is obvious. It is going to have to pay 11 per cent more interest in the way of discount on these bills unless it makes them tax exempt.

Mr. COUZENS. So, for the purpose of getting this saving immediately to the Government, the Senator would adopt the principle of waiving the tax on capital gains?

Mr. REED. Not at all; I am not in favor of waiving the tax on capital gains. In the present condition of affairs it can not fairly be done. I did think a few years ago that the Government would save a great deal of money if it would disregard capital gains and losses, because there were always more losses reported than there were gains. That has not been so since 1924, and I join with the Senator in opposing the repeal of the capital-gains tax now, although I do think that, as it stands, it is a very clumsily arranged tax; it can be improved; but I agree with the Senator that the principle of taxing capital gains must be maintained for many years yet to come.

Mr. WALSH of Montana. Mr. President, I can not believe that the clause in question in this bill relates to such a condition as that suggested by the Senator from Pennsylvania. Of course, if the Treasury discounts its bills the same as the private individual discounts his bills at a bank, the difference between the amount that he pays for the bill and the par value of it is unquestionably the interest which comes to him. I apprehend that no one wants to subject that interest—that is to say, that difference—to taxation; but here is a man who buys one of these bills in a tight market, occasioned, perhaps, by the draining of available funds into the gambling market of which we have been speaking, so that the Government is obliged to sell at a rather high discount. After a time, however, the situation eases and that man sells his bill to some one else and makes a gain on it. I take it that the provision of the bill which the Senator from Michigan seeks to excise refers to gains made by him upon the sale of that bill.

Mr. REED. That is what the Senator has been speaking of.

Mr. WALSH of Montana. Just as one who bought stock at a certain figure and subsequently sold it at an appreciation would be obliged to include in his income-tax return whatever he made by the sale of the stock, why should he not be obliged to return what he made by speculating in the Government's bills, just as he would by speculating or investing in any other bills?

Mr. REED. If the Senator will look at the opposite page of the bill he will see that the new matter which it contains is the provision in line 6, on page 2, which provides that Treasury bills may be issued on a discount basis.

Mr. SMOOT. Without interest.

Mr. REED. It is to prevent that discount being taxable that the words were inserted on page 3 which the Senator from Michigan is now trying to strike out.

Mr. WALSH of Montana. I do not think they are nontaxable for that reason at all. They are nontaxable, it seems to me, by reason of the further provision which forbids the taxing of the interest, because, as I have indicated, in my judgment, the difference between the sale price and the par value of the bill is not a gain from the sale at all but is the actual interest upon the money which is turned into the Treasury.

Mr. REED and Mr. COUZENS addressed the Chair.

The VICE PRESIDENT. Does the Senator from Montana yield; and if so, to whom?

Mr. WALSH of Montana. Just a moment. Is it not always the case with a bill which is discounted at a bank that the difference between the amount realized by the maker of the bill and the face of the bill is what he pays in interest?

Mr. REED. Yes; and that is what I have been arguing.

Mr. WALSH of Montana. Exactly.

Mr. REED. And it is to make that difference nontaxable that these words were put in.

Mr. WALSH of Montana. It is nontaxable by reason of the provision of the bill that—

All certificates of indebtedness and Treasury bills issued hereunder . . . shall be exempt, both as to principal and interest.

That is the whole thing—the principal is exempt. If a man buys at a discount of 4 per cent, he pays 96 for every \$100 of face value; he pays \$96, which is his principal, and the difference between that and \$100 is his interest. He does not pay upon the \$96 and he does not pay upon the \$4 if he gets it;

but if in the meantime he sells the bill to some one at 99, having paid only 96, then he makes a profit of 3 per cent; and why should he not be taxed on it?

Mr. REED. Suppose he has held it for three-quarters of its life and sells it at 99?

Mr. WALSH of Montana. Very well. He will then take credit for three-quarters of 4 per cent.

Mr. REED. That is the businesslike way of doing it; but under the present regulations of the Bureau of Internal Revenue the whole amount would be considered to be capital gain.

Mr. WALSH of Montana. It is a very easy thing to figure out how much of the appreciation is interest upon his investment and how much is actual gain by reason of the sale.

Mr. SMOOT. Mr. President—

Mr. COUZENS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Montana yield; and if so, to whom?

Mr. WALSH of Montana. I yield first to the Senator from Utah.

Mr. SMOOT. Mr. President, the theory of the bill is that if the bills are tax exempt, the Government of the United States can make more out of their sale because of a lesser rate of interest than it can by taxing capital gain if a profit should be made. No interest is involved in it at all; there is no interest to be collected on the bills; they are sold without interest; and the Secretary of the Treasury believes that with the words which have been referred to in the bill the Government will get more for the securities than if it imposed a tax upon whatever the interest might be.

Mr. WALSH of Montana. I understand that perfectly well; but if I discount a bill for \$100 at the bank, and I get only \$96, I am paying 4 per cent interest, or substantially 4 per cent; and the difference between the \$96 and the \$100 is interest. It can not be designated in any other way, and that is the way it is understood. So when the Treasury discounts its bills at 4 per cent, that 4 per cent represents the interest which the Government pays.

If the interest is exempt, as provided in the bill, and the principal is exempt, as provided in the bill, if the purchaser of the bill sells it meanwhile, and makes a profit on his sale, why should not that profit be taxable just the same as the profit he makes on the sale of stocks or anything else?

Mr. COUZENS. Mr. President, if the Senator will yield to me, is not this a simple illustration? If the Government sells to you a \$1,000 bond or certificate of indebtedness on a 4 per cent basis, and you turn around and sell it on a 3 per cent basis, the difference is profit.

Mr. WALSH of Montana. Unquestionably.

Mr. COUZENS. That is the simple way of putting it. In other words, if the Government sells the certificate to one individual on a 4 per cent basis, and he turns around and sells it on a 3 per cent or 2 per cent basis, the difference is profit.

Mr. WALSH of Montana. Exactly. I want 4 per cent on my money, and I buy the bill; but I find some one who is perfectly content with 2½ per cent, and he will offer me a premium for it.

Mr. REED. Mr. President, it seems to me these questions have brought the issue down to the real point. What actually happens in the case of the transaction described by the Senator from Montana is that a negotiable instrument is bought at one price, and subsequently sold at another; and the profit, taken in connection with the time the bill is held, is a capital gain which is the equivalent of interest on that money.

Mr. COUZENS. Oh, no!

Mr. REED. It is just a matter of definition. Please indulge me until I finish the thought. Now, if we can agree that the amount of the discount at which the bill was originally sold shall be considered as interest, and that that shall be nontaxable, while at the same time any transactions relating in capital gains pending the maturity of the certificate should be taxed, I think we should all be agreed on the situation. All the Treasury wants is to make that which is in good faith the equivalent of interest tax free, as it is to-day on Treasury certificates; and I understand that the Senator has no objection to that.

Mr. WALSH of Montana. Not at all. We are agreed about what ought to be done. It is simply a question as to the language in which our views ought to be expressed.

Mr. REED. It is merely a matter of expressing that thought clearly; and we ought to be able to agree on that.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Utah a question. Why is section 2, on page 2, requisite at all? Why should they want to discount bills?

Mr. SMOOT. Does the Senator mean line 6?

Mr. McKELLAR. Line 6:

Treasury bills on a discount basis and payable at maturity without interest. Treasury bills to be issued hereunder shall be offered for

sale on a competitive basis, under such regulations and upon such terms and conditions as the Secretary of the Treasury may prescribe, and the decisions of the Secretary in respect of any issue shall be final.

Why have two kinds of bills?

Mr. SMOOT. Why, Mr. President, these Treasury bills run for a short period.

Mr. McKELLAR. So do the certificates; do they not?

Mr. SMOOT. The certificates run for a longer time. As I explained to the Senate, but the Senator was out at the time, there are four annual periods when the Government of the United States must borrow money.

Mr. McKELLAR. Will the Senator tell me why they have the two kinds of obligations?

Mr. SMOOT. The Treasury Department now, if they are allowed to issue Treasury bills, will issue them for short periods of time. The average, as I said, would not be more than 45 days. It is just between the periods of those four payments that they want to use these bills, and they will sell them without any discount, and they think they can sell them very, very much cheaper—I mean, get more for them for the Government.

Mr. McKELLAR. Why?

Mr. SMOOT. Because they can be purchased here and will be almost like call money. The Government can take them up at any time. It will not be as though they were running for six months, and we were paying interest on them for the full time.

Mr. McKELLAR. If they are discounted, the interest will have already been paid by the Government.

Mr. SMOOT. Yes.

Mr. McKELLAR. So it would make no difference whether or not we took them up ahead of time; we would lose money by taking them up ahead of time. Why should the Secretary of the Treasury want the power to issue bills at any discount that he may like? It is peculiar. It never has been allowed by law before. Why, at this late time, now, is that kind of a power desired?

Mr. SMOOT. The Treasury Department to-day have to assume that for the next six months their rate of interest shall be 4 or 4½ or 3¾ or 3½ per cent, or whatever it may be.

Mr. McKELLAR. That is not any new condition. That has been going on during the whole history of our Government.

Mr. SMOOT. That is, with certificates.

Mr. McKELLAR. Yes.

Mr. SMOOT. Under this bill they will not have to assume any rate of interest. These bills will be sold just the same as they are sold in England, and the same as they are sold in France, and the same as they are sold in Germany and every other country. They are short-time bills, and that is why they can be sold in the middle of the month.

Mr. McKELLAR. Certificates can be sold in the middle of the month. We have been selling them for 150 years. I have heard the Senator get up here and say that the present system is the greatest system in the world, and that our financing under it, especially during the last eight years, has been simply perfect. All of that may be true; I do not know; but the peculiar thing about it to me is that after having used the system of certificates for probably more than 100 years we should now come and want to give the Secretary of the Treasury power to issue bills at a discount. When we say "discount," it means that when they are sold the Government has paid the interest on them up to the date on which they mature; and one of the reasons that the Senator gives for this provision is that the Government can take them up at any time.

Mr. SMOOT. No; it can sell them at any time.

Mr. McKELLAR. If the Government takes them up at any time, it is making a gift to the purchaser of that discounted paper; and I see no necessity for it. I hope the Senator will strike out that provision. It ought not to be in this bill. There is no reason for it. It is a power that no good Secretary of the Treasury would want, and it is a power that no bad Secretary of the Treasury ought to have, in my judgment. I do not think it is right to put it in here.

Mr. SMOOT. Under the present system they sell those certificates all at once; the Government of the United States fixes the interest, and they are sold, and they have to be carried through the three months. Under the bill system we will have to raise just as much money, but the Secretary of the Treasury can sell on the 1st of the month so much, he can sell on the 15th of the month so much, on the 1st of next month so much, and the interest starts only when the sale is made, whereas if certificates had been issued the interest would have had to run the full three months.

Mr. McKELLAR. Mr. President, I see no difference in the world between that and a discounted bill where the Government pays the interest in advance. To my mind, there is some reason

for doing this, and the Senator has not given the reason; and we ought to have a reason before we enact it into law.

Mr. SMOOT. The reason is that the Government will save hundreds of thousands of dollars by it. That is one reason.

Mr. McKELLAR. There has been no suggestion except the Senator's statement, and I can not imagine how it could be done. It is impossible.

Mr. SMOOT. I can imagine it.

Mr. McKELLAR. The Senator would have to imagine it, because it can not be done in business, in my judgment.

Mr. SMOOT. Not in the Senator's judgment, but it could in mine.

Mr. McKELLAR. Mr. President, I believe there is an amendment pending, is there not?

The VICE PRESIDENT. There is an amendment pending.

Mr. McKELLAR. At the proper time I desire to move to strike out, in line 6, page 2, after the word "prescribe," the following words:

Or (2) Treasury bills on a discount basis and payable at maturity without interest. Treasury bills to be issued hereunder shall be offered for sale on a competitive basis, under such regulations and upon such terms and conditions as the Secretary of the Treasury may prescribe, and the decisions of the Secretary in respect of any issue shall be final.

Well, it will have to go farther than that.

The VICE PRESIDENT. The Senator can perfect his amendment while the other provision is being considered.

Mr. McKELLAR. Very well.

Now, Mr. President, I have a word or two to say in reference to the amendment of the Senator from Michigan. I am not going to take long.

Of course we ought not to permit to go into this bill a provision which would exempt from taxation "a gain from the sale or other disposition thereof." That is a profit. That is a capital gain, just such as any other person would make who was doing business in any other line. If he bought shares of stock or bonds of any other kind and made a capital gain, he would have to return it in his income; and it ought to be returned here. Why should it not be returned? I do not know, Mr. President, unless we have to have it; and at this time I desire to call the attention of the Senate to some very remarkable provisions in the present internal revenue law.

I happened to be in the Supreme Court of the United States yesterday afternoon when the court was rendering opinions, and I heard the Chief Justice of the United States deliver a rather witty opinion about provisions similar to the ones to which I am now going to call attention.

Exemption of capital gains, as provided in this bill, is not new. It has been in several revenue bills in a different way; and I want to call the attention of the Senate to the particular language that is used. It is marvelous language. You would think it had no meaning, sometimes; but it is fraught with meaning, and it is fraught with the greatest interest on the questions we have been discussing here to-day about stock speculation.

I call attention to section 112 of the last revenue act:

SEC. 112. RECOGNITION OF GAIN OR LOSS.—

(a) General rule.—Upon the sale or exchange of property the entire amount of the gain or loss, determined under section 111, shall be recognized, except as hereinafter provided in this section.

And then the exceptions come in:

(b) Exchanges solely in kind.—

(1) Property held for productive use or investment: No gain or loss shall be recognized if property held for productive use in trade or business or for investment (not including stock in trade or other property held primarily for sale, nor stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidences of indebtedness or interest) is exchanged solely for property of a like kind to be held either for productive use in trade or business or for investment.

That is the first exception.

The second exception:

(2) Stock for stock of same corporation: No gain or loss shall be recognized if common stock in a corporation is exchanged solely for common stock in the same corporation, or if preferred stock in a corporation is exchanged solely for preferred stock in the same corporation.

(3) Stock for stock on reorganization.—

And I stop here long enough to say that I am told that the stock transactions under this section amount to perhaps billions of dollars a year in this country—transactions which escape taxation entirely, although enormous profits are made under them.

No gain or loss shall be recognized if stock or securities in a corporation a party to a reorganization are, in pursuance of the plan of reorganization, exchanged solely for stock or securities in such corporation or in another corporation a party to the reorganization.

If they merge, they escape taxation. Enormous fortunes are made in this way, absolutely escaping taxation to the Federal Government. Why should not these stock gamblers, these reorganizers preying upon the public in many instances, be taxed? Why should they be exempted from taxation? It is on the same principle that it is sought to exempt from taxation capital gains in these transactions in Government securities.

(4) Same—Gain of corporation: No gain or loss shall be recognized if a corporation a party to a reorganization exchanges property, in pursuance of the plan of reorganization, solely for stock or securities in another corporation a party to the reorganization.

(5) Transfer to corporation controlled by transferor: No gain or loss shall be recognized if property is transferred to a corporation by one or more persons solely in exchange for stock or securities in such corporation, and immediately after the exchange such person or persons are in control of the corporation; but in the case of an exchange by two or more persons this paragraph shall apply only if the amount of the stock and securities received by each is substantially in proportion to his interest in the property prior to the exchange.

Under that scheme they just convey the property. For instance, if the Senator from Utah [Mr. Smoot] and I are principal stockholders in one corporation and we want to merge it or sell the stock, we first transfer it to another corporation. Say, for instance, we sell to another corporation for \$2 a share stock which cost us \$1 a share, but we transfer it to a paper corporation for \$2 at a profit of a dollar a share. The result is that having transferred that to our paper corporation, which he and I control, for \$2, we have to pay no tax on it. Then he and I take the new corporation we have formed and transfer it to the real purchaser and do not pay any tax at all. We transfer it for the \$2 and do not pay any tax at all.

Listen to this:

(1) If an exchange would be within the provisions of subsection (b) (1), (2), (3), or (5) of this section, if it were not for the fact that the property received in exchange consists not only of property permitted by such paragraph to be received without the recognition of gain, but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property.

That sounds as though it were meaningless, but everything in these sections has for its purpose letting stock transactions escape taxation. That is one of the reasons why we have an orgy of stock gambling in this country to-day. Every influence of law in this last act and in the preceding one has been thrown around stock transactions for the benefit of stock gamblers, and the Federal reserve law apparently is being used, certainly is being permitted to be used, in behalf of these very same stock gamblers, and why? Why will a man with money invest his money in business, in a farm, in a factory, or even in a bank, when he can go and put it on the market in Wall Street and make a greater profit? That is what has been going on for a number of years. It is just a question of when it is going to stop.

We all know it, and we are taking no steps to stop it, but, instead, we are adding to it by such laws as this, which was passed in 1928. We are adding to it again when we give the Secretary of the Treasury the power to carry on the enormous financing of the Federal Government, the greatest financing done in the world, larger in volume than any other in the world—when we give it to him and say, "All capital gains from these transactions shall not be taxed." We ought to tax them all; the Senator from Michigan is exactly right. The words which he has suggested should be stricken out of this bill, should be eliminated.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. COUZENS. I think we have practically reached an agreement as to language which may be substituted for subsection (h). I will send it to the desk, if the Senator will permit, and have it read.

Mr. McKELLAR. I am happy to know the Senator has been successful in that.

Mr. COUZENS. I think we have arrived at an agreement on language which will suit everybody.

Mr. SMOOT. The language is perfectly satisfactory to me.

Mr. McKELLAR. Let the clerk read it.

The VICE PRESIDENT. The clerk will read the amendment.

The LEGISLATIVE CLERK. On page 3, to strike out lines 1 to 11, inclusive, and insert in lieu thereof the following:

(b) All certificates of indebtedness and Treasury bills issued hereunder (after the date upon which this subdivision becomes law) shall be exempt, both as to principal and interest, from all taxation (except estate and inheritance taxes) now or hereafter imposed by the United States or by any local taxing authority; and the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest within the meaning of this subdivision.

Mr. McKELLAR. I am of the opinion that that will correct the situation.

Mr. COUZENS. That accomplishes the purpose we have been trying to accomplish.

Mr. McKELLAR. I think so.

Mr. COUZENS. It leaves out all reference to capital gains, so that if a security sold by the United States is held to maturity, the gain is considered as interest, and is, therefore, under the law, tax exempt, but if there is any transaction in the particular note or security afterwards in which the interest rate changes, or in which there is a gain, that gain is taxable under the existing law. To offset that, we had to eliminate from the bill reference to the deduction of losses.

Mr. SMOOT. I have no objection.

The VICE PRESIDENT. Does the Senator from Michigan withdraw his other amendment?

Mr. COUZENS. I withdraw that, and offer this as a substitute.

Mr. HEFLIN. Mr. President, I would like to have the attention of the Senator from Michigan [Mr. COUZENS]. As the Senator knows, we are now having the wildest speculation in Wall Street perhaps we have ever had in the history of the country. Money is being drawn out of the channels of legitimate business to the hurt and injury of legitimate business everywhere. The gamblers in stocks up there are making tremendous profits, and the money is being invested in shares paying dividends hand over fist, tremendous dividends. That money, if it could be gotten at in that form, would be subject to taxation, but they are issuing certificates, and immediately the money is beyond the hands of taxation. Is that situation reached by the amendment?

Mr. COUZENS. The Senator does not make his question sufficiently plain, because what he refers to has no relation whatever to this bill, as I understand it. This is purely a governmental bill, which would permit the Government to sell certificates of indebtedness not bearing any interest, so that if a thousand-dollar bill were sold for \$970, the bill at maturity would be collected at \$1,000, and the profit would have been \$30. That \$30 is construed, under the amendment, to have been interest on the investment, and does not affect the situation described by the Senator from Alabama, as I understand it.

Mr. HEFLIN. Does not the Senator agree with me that we ought to reach that situation? An instance was brought to my attention in which the gain was \$500,000, which should have been taxed, but when the stock people issued the certificate on it and turned that over to the owner, his money was beyond taxation, it could not be reached, and the certificate could not be reached, and was not taxable. If the certificate should not be issued, then the money would be taxable. So, in order to escape taxation, they are drawing money out of the banks and using it for speculative purposes, and making their millions, and then, for the purpose of keeping the gains from being taxed, they have certificates issued, and they use them in their speculative deals frequently and escape taxation. Under that system those who are most able to pay taxes to the Government are paying least. They are escaping taxation. Does not the Senator agree with me that that ought to be reached?

Mr. COUZENS. Yes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF TRADING WITH THE ENEMY ACT

Mr. SMOOT. Mr. President, Senate bill 60, Order of Business No. 5, to amend subsection (a) of section 26 of the trading with the enemy act, so as to authorize the allocation of the unallocated interest fund in accordance with the records of the Alien Property Custodian, has been reported unanimously from the Committee on Finance.

Mr. DILL. Mr. President, the junior Senator from Montana [Mr. WHEELER] was interested in that bill, and I think if the Senator from Utah wants to take it up, that Senator ought to be here.

Mr. SMOOT. If there is any objection to the bill, I will not ask for its consideration at all. I can not conceive of any objection to it.

I see the junior Senator from Montana has just entered the Chamber, and I would like to ask him if he has any objection to Senate bill 60, relating to the authorization of the allocation of the unallocated interest fund in accordance with the records of the Alien Property Custodian.

Mr. WHEELER. No; I have no objection.

The VICE PRESIDENT. Does the Senator from Utah desire to ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the bill to which he has referred?

Mr. SMOOT. Yes, I do; and if any objection is raised, I shall not ask that we go on with the bill.

I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 60.

Mr. NYE. I shall not object to that, providing there can be assurance that this will not carry over into to-morrow.

Mr. SMOOT. If any real objection shall be made—and I can not see why there should be any—I will withdraw the bill at any time.

The VICE PRESIDENT. Let the bill be explained for the information of the Senate. Then the Chair will submit the request of the Senator.

Mr. SMOOT. The quickest way of explaining the bill, I dare say, would be to read the Secretary's letter, and I will ask the Senate to listen to it. The Secretary says:

Section 26 (a) of the trading with the enemy act, which was added by the settlement of war claims act of 1928, provides that the Alien Property Custodian shall allocate the so-called unallocated interest fund among the various trusts held by him and that this allocation shall be based upon "the average rate of earnings" determined by the Secretary of the Treasury upon the entire fund.

The Treasury records fix the date upon which interest begins to run as the date upon which the funds were deposited in the Treasury. The records of the Alien Property Custodian naturally give the date upon which the money first came into his hands, but not the date of the deposit in the Treasury. The number of days intervening, of course, vary with each trust. The report of the Finance Committee and the amendment agreed to by the Senate and finally enacted indicate clearly that the allocation should be based upon the records of the Alien Property Custodian, and the Treasury and the custodian agree that this is the better policy.

Although the matter seems of rather trivial importance, the practical situation at present is that the allocation and payment of the fund can not be made. The average rate of earnings determined by the Treasury can not be used by the custodian because of the above difference in the period of time that the funds of any particular trust were on deposit, and the Secretary of the Treasury can not certify a rate adjusted to accord with the custodian's records.

Accordingly, I am transmitting herewith a proposed amendment to authorize the allocation in accordance with the records of the Alien Property Custodian. On account of the obvious desirability of distributing the funds promptly, the custodian and I join in recommending the adoption of the amendment as early as possible in the special session about to convene.

Mr. SWANSON. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Virginia?

Mr. SMOOT. I yield.

Mr. SWANSON. As I understand it, the custodian obtains certain money?

Mr. SMOOT. It is paid first to him.

Mr. SWANSON. He deposits it in a bank?

Mr. SMOOT. He deposits it with the Treasury.

Mr. SWANSON. How much of an interim was there?

Mr. SMOOT. Sometimes it was one day, sometimes it was from Saturday until Monday.

Mr. SWANSON. There never is any long time? The bank does not hold the money a long time?

Mr. SMOOT. The Alien Property Custodian deposits it with the Treasury.

Mr. SWANSON. He had a check on a bank and that bank held the fund until he deposited it in the Treasury and the Treasury collected from the bank.

Mr. SMOOT. Yes.

Mr. SWANSON. Was there any length of time in which the bank had the money to use?

Mr. SMOOT. None at all, or just a day or two. Not only that, but at the last session of Congress, when we passed the alien property bill, there was a specific provision in the bill that the allocation should be upon the date on which the money

was deposited with the Alien Property Custodian. That is all there is to the legislation.

Mr. WHEELER. Mr. President, will the Senator tell me just how much they are getting on the Alien Property Custodian funds at the present time? What interest is being paid on those funds?

Mr. SMOOT. I think it is 4 per cent, but I am not sure.

Mr. WHEELER. During the time of the investigation which we conducted into the Department of Justice Miller stated they were getting something like 2 per cent, and the money was being deposited around in favored banks in accordance with Miller's own views about the matter. I was wondering whether or not that practice had been corrected and if they were depositing in banks yet.

Mr. SMOOT. This only applies to the interest—

Mr. WHEELER. I understand that.

Mr. SMOOT. I can not say what the policy is now. I think they deposit directly in the Treasury now. All the bill does is to provide the positive date upon which the interest shall be paid by the Government.

Mr. WHEELER. I understand that.

Mr. SWANSON. As I understand it, the custodian sells some property, the custodian gets a check to pay for it, and that check is deposited in a bank, and in a great many cases they get 2 per cent on that fund.

Mr. SMOOT. No; the check goes to the Treasury Department now.

Mr. SWANSON. I do not want the Government to pay interest on these funds from the day they get to the custodian, when the custodian deposits the checks in a bank and gets 2 per cent on the funds and the bank pays nothing to the Government, but the Government pays interest from the day the custodian had deposited the check. If the Senator assures me that is not done, I have no objection.

Mr. WHEELER. During the investigation to which I refer it was disclosed that funds of the Alien Property Custodian were being deposited, some of them in Harry Daugherty's bank in Ohio at 2 per cent; that is, the bank was paying 2 per cent. I want to know whether that practice still exists.

Mr. SMOOT. All the funds of the Alien Property Custodian are deposited with the Treasury of the United States.

Mr. WHEELER. I had supposed that was true at that time, too.

Mr. SMOOT. I will assure the Senator that it is true at this time.

Mr. SWANSON. Does the amendment compel the Government of the United States out of the Treasury to pay interest on these funds from the day the custodian receives them, even if the custodian deposits them in a bank and gets 2 per cent?

Mr. SMOOT. I never heard of that before.

Mr. SWANSON. I want to know whether that is the practice and whether the Government is protected. I am not willing for the United States Government to pay out of the Treasury interest on money from the day the custodian obtains a check, if at the same time the custodian deposits it in a bank and the bank is using that money.

Mr. SMOOT. I would not be asking for anything like that.

Mr. SWANSON. I want to have the assurance that it does not happen.

Mr. WALSH of Montana. Mr. President, I should like to have some enlightenment upon the matter.

Mr. SMOOT. I shall be glad to enlighten the Senator.

Mr. WALSH of Montana. A fund is realized from the sale of a property and goes into the Treasury of the United States. Of course, the Treasury does not leave that fund there idle. The Treasury deposits in some bank. I suppose, from the initiation of the policy entered upon by Mr. McAdoo when he was Secretary of the Treasury, the bank pays the interest upon the fund. I would like to know from the Senator from Utah what rate of interest the Government gets on its bank deposits and what rate of interest it pays eventually to the claimant when it makes settlement?

Mr. SMOOT. I do not know whether the Secretary of the Treasury has any fixed rate of interest upon daily balances. I can find out for the Senator, and am perfectly willing to have the bill go over if the Senator wishes it. I am quite sure there is no change in that policy. The money that is paid in that way may have been used for the very purpose of buying bonds or refunding our obligation. There is no reason why it should not be used in that way. The Treasury is responsible for the money, of course.

Mr. WALSH of Montana. What I would like to know—and it seems to me the Senate ought to have the information—is whether the Government is actually a substantial loser on these transactions. The property is sold and the money goes into the Treasury of the United States. It pays what rate of interest to

the claimant for the time that the Government holds the money between the time that it realizes upon the sale of the property and the time it is paid back?

Mr. SMOOT. I am not positive, but I think it is about 4 per cent.

Mr. WALSH of Montana. That is my understanding, that the claimant gets the amount which the Government received with 4 per cent interest. During the time the Government holds that money what rate of interest does it get upon the money or does it get any?

Mr. SMOOT. The money can be used for the payment of our bonds which would be drawing more than 4 per cent in some instances.

Mr. WALSH of Montana. I had the idea that that was regarded as the trust fund that could not be used.

Mr. SMOOT. I think it could be used, but it is kept as a trust fund. What I mean to say is that the amount is always a trust fund and the Treasury keeps it. In the distribution of it it is made in accordance with the alien property bill passed at the last session of Congress. I could not say exactly what interest the Government is drawing upon bank deposits. I have never asked any question about it, nor would I say whether this money had been used for the purchase of our own securities. I think a great many of them are purchased in that way. When the time comes for payment, then the Treasury raises the money.

Mr. WALSH of Montana. It would be interesting and valuable information to know how long the Treasury keeps this money and what the difference is between what it pays and what it realizes, so that if necessary some action could be taken to expedite the distribution.

Mr. SMOOT. That action has already been taken. If it had not been done, the distribution would have had to be made on the old basis.

Mr. WALSH of Montana. I think the bill should go over until we get further information.

Mr. SWANSON. Mr. President, I would like the Senator to ascertain whether the United States Government under the terms of this bill would pay interest in excess of what it received. I think these people are entitled to all the interest derived from their funds that we get as trustees, but I do not like to see a method of bookkeeping by which there would come out of the Treasury money in excess of what the Government receives.

Mr. McKELLAR. Mr. President, when this matter came up a few moments ago I went to the telephone and talked to Judge Abbott, who is the representative of the Alien Property Custodian, the custodian himself being out of the country at this time. He told me that up until three or four years ago there were probably 300 or 400 depositaries where the Alien Property Custodian moneys were placed, but that after some investigation held by the Senate all those moneys were drawn in and now all the moneys of the Alien Property Custodian are deposited with the Treasury of the United States.

Mr. SMOOT. That is what I stated. I will say to the Senator from Montana that when these funds are deposited the Treasury purchase our own bonds, perhaps drawing the same rate of interest or maybe a little more, and hold them, and when the time comes to make the payment, if they can do so without the sale of the bonds or without borrowing money, they do it. I do not think they have a lot of money lying idle in that way, but I will find out.

Mr. SWANSON. I hope the Senator will ascertain whether the bill provides that the interest these people receive for this trust fund shall be exactly the amount that the United States Government receives, no more and no less. I think that is right. I am not willing to consent to the passage of the bill when I have not any assurance that we do not pay more interest than we receive.

Mr. GEORGE. Mr. President, I think I can explain the matter very quickly. Under the act approved March 10, 1928, all sums held by the Alien Property Custodian are authorized and directed to be invested in participating Treasury certificates at the request of the Secretary of the Treasury, so that all of those several sums coming into the hands of the Alien Property Custodian now on the request of the Secretary of Treasury are carried into the Treasury, invested in participating Government certificates, and bear a fixed rate of interest. That rate, of course, is fixed in accordance with the prevailing rate paid by the Government at the time.

Mr. SWANSON. The bill provides that the rate of interest shall start from the minute the fund gets into the hands of the Alien Property Custodian and not in the hands of the Secretary of the Treasury.

Mr. GEORGE. Oh, no; that is not the purpose of the bill. If the Senator will permit me, I will explain. These several

sums of money come into the hands of the Alien Property Custodian on account of different trusts. On the request of the Secretary of the Treasury they are invested in certificates. The money coming from the various trusts is invested in certificates. The Treasury is to make allocation of its interest to the several trusts used in the purchase of the certificates by taking the average rate of interest which the certificates bear.

The Treasury Department had difficulty in making its calculation for one simple reason. The money was actually deposited with the Treasury and actually invested in participating certificates on a date different from the date on which the Alien Property Custodian actually received the money, but it makes no difference whether the interest is allocated upon the date of the receipt of the money by the Alien Property Custodian or the date of the receipt of the money by the Treasury, because what the Treasury pays out is simply the average interest that the certificate bears, but it makes some difference as between the trusts; that is all.

Mr. SMOOT. Mr. President, this is what the Treasury Department says—

Mr. McKELLAR. Will not the Senator, before the bill shall be further considered, obtain a full statement of the funds involved so that we may understand just exactly what amounts are on hand and the interest they are bearing, and information of that kind?

Mr. SMOOT. I will be glad to do so; but I think we ought to pass the bill at this session.

Mr. McKELLAR. It may be very necessary that it should be passed; I am not disputing that at all; but I merely want to obtain full information as to how the moneys are held and all other facts concerning them.

The VICE PRESIDENT. Does the Senator from Utah withdraw his request?

Mr. SMOOT. I withdraw the request.

RECESS

Mr. WATSON. I move that the Senate take a recess until to-morrow at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 15 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, June 5, 1929, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, June 4, 1929

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who wilt not break the bruised reed, do Thou hear our prayer. Out of the depths of our helplessness and because of our tendencies do we call upon Thee. Just now let silence rest upon our souls, that Thy Spirit may whisper sweetly. These servants of the Republic, who direct the sentiments of the state, give them a special benediction. Bless and guide them with a brave heart, a calm mind, and an undaunted spirit. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 108. An act to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce; and

S. J. Res. 50. Joint resolution to provide for the observance of the one hundred and fiftieth anniversary of the death of Brig. Gen. Casimir Pulaski.

The message also announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H. J. Res. 61. Joint resolution to amend the appropriation "Organizing the Naval Reserve, 1930";

H. J. Res. 82. Joint resolution making appropriations for additional compensation for transportation of the mail by railroad routes in accordance with the increased rates fixed by the Interstate Commerce Commission; and

H. J. Res. 84. Joint resolution extending until June 30, 1930, the availability of the appropriation for enlarging and relocating the Botanic Garden.

BRENDAN A. FINN AND MISS AMY M. STRILEY

Mr. UNDERHILL. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. UNDERHILL. Mr. Speaker and Members of the House, for the past seven years the Highway Education Board located in this city has conducted a safety campaign through the public schools of every State in the Union. Each year this organization awards a cash prize and a gold medal to the pupil in each State who writes the best essay on highway safety. This year the national board of judges, composed of Mrs. James J. Davis; Dr. Ernest W. Butterfield, commissioner of education for New Hampshire; and the late Haley Fiske, president of the Metropolitan Life Insurance Co., by a process of elimination chose the best essay from the State medal winners, and the one so chosen was declared the national winner and awarded a week's visit in the Nation's Capital. This year there were over 600,000 contestants. Yesterday Brendan A. Finn, 11-year-old schoolboy neighbor of mine, of Somerville, Mass., was received by President Hoover and presented with a certificate of award. Following this event, he was presented with a gold watch suitably engraved with a record of his achievement by Mr. Alvan Macauley, president of the National Automobile Chamber of Commerce.

In addition to the pupils' competition, there was another contest for the elementary-school teachers of the Nation for the best lessons on highway safety. Miss Amy M. Striley, a constituent of my colleague [Mr. ANDREW], and a teacher in Beverly Farms School, Beverly Farms, Mass., was named the winner of this contest. She, too, is enjoying a visit to Washington, and was presented with a check for \$500 by President Macauley at a luncheon in honor of the winners of this contest. The judges in the lesson contest were Dr. Uel W. Lamkin, president of the National Education Association; Dr. A. T. Allen, State superintendent of public instruction for North Carolina; and Frank T. Sheets, chief highway engineer for Illinois. There were over 100,000 contestants for this prize.

As a Representative of Massachusetts and a resident of the home city of the pupil who won this national distinction I am more than pleased to have as my guests to-day Brendan A. Finn, of Somerville, Mass., and Miss Amy M. Striley, of Beverly Farms, Mass.

The problem of safety on our highways is one of great local and national importance. These contests have been found most valuable in instructing the children of the land in the elements of safety and impressing upon their minds the necessity of careful observance of safety rules and regulations. This is the first time that both of these prizes have been won in the same State. Massachusetts is proud of both teacher and pupil and rejoices in their valuable contribution to the protection of lives and limbs of the people of the Nation. [Applause.]

THE LATE HENRY M. GOLDFOGLE

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SIROVICH. Mr. Speaker, ladies, and gentlemen, at this very moment in the city of New York a grief-stricken yet grateful public is paying its last full measure of devotion, its sincere tribute of admiration, its homage and respect, and, above all, its genuine and heartfelt loss to a former Member of the Congress of the United States, Henry M. Goldfogle, who has passed beyond the great divide and is now a citizen of the kingdom of eternity.

As a distinguished Member of this historic forum from the year 1901 to 1915 and from 1919 to 1921, he has been a conspicuous and distinguished servant of his constituency, and has served loyally and faithfully the best interests and traditions of our Nation.

Mr. Speaker, ladies, and gentlemen, in the transient life of man no one has yet fathomed the mystical problem of life. In other words, the mystery of whence we came and whence we go. In life we live in two worlds. One the universe of reality and the other the world of idealism.

The world of reality is the world of struggle, toil, and drudge. The world of idealism is the world of fantasy, dreams, and imagination. The world of reality is contaminated, polluted, and defiled. The world of idealism is pure, immaculate, and clean. The world of idealism is the place to which God descends while man rises to meet Him.

When strife, discord, and dissension attack us in this world of reality we love to flee to the world of happiness, contentment,

and idealism, where mankind is at peace with his Maker and with the world.

Through our conduct, action, and behavior in the arena of life we build a future temple for the repose of our soul in the great hereafter. This ideal temple has four walls. The first wall is dedicated to science and its object is to seek and attain the truth, for which millions of men and women have given up their lives.

The second wall is consecrated to our emotions, and the highest object of our feelings is love, which cements and binds mankind to his fellow man. It is one of the great attributes that makes life worth living.

The third wall is sacred to the noblest attributes of nature and the physical world, which is beauty. Nothing is more majestic nor sublime in this world than love of the true, the good, and the beautiful in life.

The fourth wall is hallowed by being erected to justice. Justice that is symbolized by the "scales" that balances fair play and righteousness to every man and woman who seeks human and divine equity for work rendered in this world.

The password that permits an individual to enter into this great ideal kingdom of eternity is "Service." To me, ladies and gentlemen, that man serves his country most loyally who serves humanity most faithfully.

Our former colleague and associate, Henry M. Goldfogle, has joined the great caravan from whose bourne no traveler ever returns. As a disciple of truth, as an apostle of love, as an exponent of beauty, and as a former judge who held the scale balanced in his distribution of justice between rich and poor, high and low, success and failure, he has entered the gate of eternity through the services he has rendered to his fellow man.

Let us sincerely hope and trust that as his spirit marches down the aisle of eternity, the music of his good deeds in this world will ring in his ears, and as he stands naked before the great white throne of God, let us hope the great Supreme Architect of the world, because of his eminent and conspicuous services rendered to his fellow man, will have compassion on his soul and grant him eternal rest and eternal peace. [Applause.]

EXTENSION OF REMARKS

Mr. GIBSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in relation to the pending census and apportionment bill.

The SPEAKER. The Chair thinks the gentleman has the right, under the order granted in respect to extension, for five legislative days.

ARTICLE BY CARL D. SHOEMAKER

Mr. KORELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to insert therewith a short excerpt regarding the President.

The SPEAKER. Is there objection?

There was no objection.

Mr. KORELL. Mr. Speaker, I take pleasure in inserting the following excerpt from a news article written by Carl D. Shoemaker, a correspondent for the Portland Bulletin, of Portland, Oreg., relative to the President of the United States:

HOOVER TO MAKE GOOD PRESIDENT

President Hoover has a greater background of experience in world affairs than any other man who has occupied the White House. No one has ever brought to the Presidency such a deep insight and knowledge of the problems, relationships, and cross currents involved in the holding of that office.

His career reads more like a romance than otherwise. His early days in Iowa and Oregon, his years as a worker-student at Stanford, his travels and labors in far-away continents, his contacts with the great and influential in almost every land, his masterful service to the starving of Belgium and other peoples, his tremendous task as Food Administrator during the war, his reorganization of the Department of Commerce, making it one of great service to the country—all were but preparation for his supreme task—that of giving to the United States an era of construction, a reorganization, and a rebuilding of the national structure.

Herbert Hoover, the President, is going to be the same Herbert Hoover who was the able Secretary of Commerce; the same man who taught us national saving and conservation during the war in his capacity as Food Administrator. He has always had the facility of surrounding himself with men of ability. His conspicuous success as Commerce Secretary was not just luck. It was the fruit of his years of directing big things in world enterprises. When he took the department it was a weak and flabby institution, rendering small service for its cost. When he resigned after his nomination to the Presidency, it was a stalwart part of the Government, giving to the Nation's business a

remarkable service. Each one of the bureaus which he found he carefully analyzed and reorganized. Only two need be cited. One is best known in the East, the other in the West.

The Bureau of Foreign and Domestic Commerce was headed by Julius Klein. The work of this bureau covers the whole field of international business. It is of incalculable value to every business man in this country who seeks to use its benefits.

The Bureau of Fisheries, headed by Henry O'Malley, chosen to that place from this coast, has become the dominant factor in the fisheries of America. By a study of conditions, a sensible program of conservation has been worked out which aims at a continuation and perpetuation of the fisheries on the Atlantic, the Pacific, and the Gulf coasts.

These bureaus have by the sheer force of the leadership of their directors, grown from obscurity to world-wide recognition. What has taken place in these two instances is true of the many other bureaus under the Department of Commerce. Hoover never had any scandals in his department and he will not have any as President.

His choice of assistants for public service is remarkable for the character of the men selected. No one ever worked under him who did not sooner or later become his ardent supporter and friend. It is this trait in the President that augurs well for his administration.

He is his own thinker, but he listens well to advice and keeps an open mind on public questions. His contacts on every corner of the globe give him a grasp of affairs which will be of enormous benefit in our relations with other countries.

ADDRESS OF HON. RICHARD YATES, OF ILLINOIS

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein an address delivered by my colleague the gentleman from Illinois [Mr. YATES] at the Antietam National Cemetery on Memorial Day.

The SPEAKER. Is there objection?

There was no objection.

Mr. ZIHLMAN. Mr. Speaker, on Memorial Day, May 30, 1929, the distinguished gentleman from Illinois, Hon. RICHARD YATES, who is held in such high esteem in this House, was the principal speaker at the annual memorial services held at Antietam National Cemetery, near Sharpsburg, Md.

Representative YATES has spoken before in western Maryland and our people have been charmed by his personality and ability and by his wide knowledge of our country's history and institutions, as well as his personal acquaintance with many of the leading statesmen of this and other countries.

And so I deemed our section honored when he accepted the invitation extended to him to deliver the principal address for us at this national shrine which each year holds out the great struggles and lessons of the past as an example and inspiration to the coming generation to emulate the exalted heroes of those troublous years of 1861 to 1865.

Our journey to the cemetery took us over the winding roads, beautiful hills, and dales of western Maryland, and Congressman YATES manifested a deep and reverent interest in the scenic and historic country through which we passed. First on our way was the boulder on the old Georgetown Pike where Washington and Lafayette were met by the cavalcade of horsemen from the city of Frederick (then Fredericktown) and were escorted to the city, where for two days they were entertained in a manner befitting the fame and hospitality of that period in Maryland history. Next was the crossing at the Monocacy River, where the Battle of Monocacy was fought, and the Union forces, under Gen. Lew Wallace, held the Confederate forces, under Gen. Jubal Early, whose objective was the National Capital. As Pond's History of the Civil War tells us, "Hours counted in the rescue of the National Capital; and apart from the delay caused to the invading army, Wallace's merit is that he went to the right place at the right time"; and as he reported to General Grant, "I did as I promised—held the bridge to the last."

We rode on past the grave of Francis Scott Key, whose immortal lines penned in the "dawn's early light" have become the national anthem, and then stopped for a few moments at the home of Barbara Frietchie, immortalized by Whittier's poem, and resumed our journey across the Middletown Valley to South Mountain, where General Reno held the mountain pass against the invaders and gave up his life in defense of his country. Then on to the beautiful battle field of Antietam, where for three days more than 100,000 men fought back and forth across the little stream of Antietam Creek in one of the bloodiest battles of the Civil War.

The ceremonies of the day were held in the beautiful national cemetery, and Congressman YATES delivered an address so filled with inspiring reference to those of the Civil War period and so forceful in the lessons drawn that I feel privileged to insert it in the CONGRESSIONAL RECORD in order that the people

throughout the country may have an opportunity to read his splendid tribute to the few surviving veterans of that great struggle.

REMARKS OF RICHARD YATES AT ANTIETAM BATTLE FIELD MAY 30, 1929

Pardon a few sentences by way of preliminary. This is not the first occasion upon which I have had the honor and the pleasure of addressing the patriotic, progressive, powerful people of this patriotic, progressive, powerful portion of the famed, lovely, and ever-advancing State of Maryland. On several former occasions I have had that honor, and from every such occasion I have carried away with me recollections so pleasant that it would require the intervening of many years to make them a faint or fading memory—and indeed they never can be. And so I accept with pride and pleasure this brief hour of your presence. It has indeed been a pleasure to traverse to-day the enticing roads, and cross roads, up and down, along your flashing streams and green-clad valleys; to walk the streets of your picturesque town; to observe your ambitious schools and academies and your heaven-pointing churches; to admire your enchanting homes and fascinating gardens; and, most of all, to feel all about and around me the ceaseless throb of the thrill of life of a prosperous, happy, and contented people.

I shall never forget the majestic monument in the center of the national cemetery.

"Somebody must watch," once said a general. That ready, steady soldier statue, in abiding granite, watching, ever watching, spells eternal vigilance, as it looks down upon row on row of the valiant dead. Its devotion and consecration remind us of Lincoln's words:

"That from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion."

How appropriate are the words chiseled on this monument: "Not for ourselves."

Perhaps I have been egotistical, but I just felt I must accept the chance to come to this spot, so enshrined in the hearts of untold thousands, and I have accepted the call with pleasure, although I know well that many a man among you might, with more propriety and much more satisfactory results, have been honored with the invitation.

Again, by way of preliminary let me state before I say a few words upon this sweetly solemn occasion and in this imposing presence, that I fully realize that Decoration Day is imposing. It is imposing because not we only are observing this occasion. All over the land old muster rolls are being called, there is the swelling of the orator's voice and the strain of music on a thousand smiling hilltops, and new flowers are being laid on old graves, and falling tears are bedewing many a nameless lowly mound. All over the land to-day amid a deepening sentiment of brotherhood all classes and conditions combine to decorate the patriot's resting place, to recall the virtue of his life and death, and to throw upon the unresponsive sod evergreen suggestive of the life to come. All over the land to-day there are millions upon millions of us Americans standing in salute to the armies of the dead, while they, with their deeds and scenes of sacrifice, are passing in review.

It is an embellishment in any man's life to be allowed to endeavor, to the best of his feeble ability, to give suitable expression to the sentiments which have brought you here, and to the teachings of this hour.

I am satisfied that you, the hundreds and thousands here on Antietam battle ground, have no disposition to belittle or decry on this occasion any utterance of commendation of heroic deed and heroic dead.

It will serve to emphasize the magnitude of the crisis which came to this quiet place when I remind you that General McClellan in his report says that his army at the hour of battle had 87,164 men—almost 100,000. General Lee admits that in this campaign he lost 30,000 men. Let us not forget General McClellan's other statement that in this battle of two days and two nights the number of Union soldiers killed was 2,010, the number wounded was 9,416, and the number missing was 1,023, total 12,449.

Accurate figures as to the Confederate loss are not available, but General McClellan reports that his officers buried 2,700 Confederate bodies in addition to such numbers as were buried by the Confederates themselves, acting under the protection of the flag of truce asked for by them—this protection afforded them ample time which gives color to the thought that McClellan's estimate of 2,700 Confederate dead as compared with 2,010 Union dead is not an exaggeration.

Whatever the exact figures, this battle field was forever afterward a place of tragedy and mourning to at least 22,000 American families. The valor of both sides in and along the "bloody lane" demonstrated all over again that the flame of American valor will never expire upon the altar of the Nation. The 22,000 homes have possibly in the 67 years that have ensued sent forth into American life 100,000 souls, male and female, who would always have the right to claim that those homes played their part in American history.

I take the liberty, although taxing your patience, to say another thing by way of preliminary. It is a pleasure to be on the same platform on such an occasion with your own Congressman, here in this charming glade with the colors of our country in sight everywhere all about us waving in the breeze, on a day of unsullied brightness, on a summer afternoon not inclement, with an atmosphere so clear, South Mountain and all her foothills are distinctly outlined, with

the music of three bands and three drum corps, and the sweet singing of the children; here on this platform containing six veterans of the Civil War, emblematic of the six Army corps which McClellan commanded here, and with the six pastors of the surrounding churches, emblematic of the eternal and fundamental righteousness of this region. I hope you will not feel that I am too fulsome when I say that you made a proper addition when you invited your Congressman to come here and speak to-day. My friend, Colonel Little, Member of Congress from Kansas, spoke here on Monday, June 3, 1918, and he had this to say about the Hon. FREDERICK N. ZIHLMAN, your Congressman:

"On that occasion the Hon. FREDERICK ZIHLMAN, the Congressman from that district, who is held in such high respect in the House, delivered an address so sensible in its purpose, so admirable in its execution, so patriotic in all its conception, so appreciatively and enthusiastically applauded by that great audience that I have felt it my duty to ask this House to permit me to extend my remarks by inserting it in the RECORD, which I now do. That the continuity of the day may be reflected on the pages of the RECORD, at his suggestion, I insert the order of exercises and program so well carried out under the auspices of the Grand Army and citizens of Sharpsburg, so well presided over by the Hon. Raleigh Sherman."

I wish to add that I know Congressman ZIHLMAN and that I have had no firmer friend than he for the past 10 years. He is worthy, he is capable, he is honest, he is industrious, he is discreet, wise, and careful when pushing one of his many measures of legislation, and he is loyal to the core to the Constitution and laws. I know that he has the confidence and esteem of every one of the 435 Members of the House of Representatives, as well as of the White House and the Senate. The people of Washington, by the thousand, are grateful to him for the consideration he has given to that city as chairman of the Committee on the District of Columbia; but I know more, and that is this, that it is not simply when addressing the mass of the people or when acting as chairman of that great committee he is useful and active. I know that his district is never absent from his mind, that his constituents and their claims are fully taken care of by him, and that he never lets the sun go down upon an unanswered inquiry. I congratulate you and felicitate myself that in your Congressman all men behold a true public servant.

Fellow citizens, you know the story of the Civil War. After four awful years of toll and turmoil, of struggling and suffering, of bloodshed and agony, during which untold numbers of American women and children died from neglect, or starvation, or overexertion on farms, or loneliness, or other privation, into the camp of the Army of the Potomac, an army which with gloved hands and paralyzed generals had been fighting the Army of Northern Virginia—a Southern Army melted and welded together and fighting as one man—into this quiet camp on a night as quiet as the quiet stars above, there walks the real and genuine spirit of real and genuine war in the person of Ulysses S. Grant—pardon me for saying Grant of Illinois—who in 1861 was made colonel of the Twenty-first Volunteer Infantry of Illinois, as your chairman, the Hon. Raleigh Sherman, has just so thoughtfully and graciously stated.

All men know what happens when Grant takes command as general in chief. There are 30 days of direct attack on the enemy in Virginia and 30 nights of "By the left flank, march!" and then Richmond is fallen, and the prisons are thrown open and the bronzed faces are turned homeward and the grand review of 1865 is on at Washington! before the President and the Congress and the awed and silent diplomats of the world.

But 400,000 souls shall see their homes no more. They lie beneath the sod of 15 States and we know that if they could be here to-day they would do so headed by Lincoln, and Grant, and Sherman, and Logan, and McClellan, and Meade, and Hooker, and Franklin, and Halleck, and Hancock, and Burnside, and "old Pap Thomas," the "Rock of Chickamauga," and Ericsson, the inventor of the *Monitor*, and Grierson, of the Grierson raid, and also by gallant Phil Sheridan, who in that mighty day rode down the Shenandoah Valley in victory even as in after years he rode to the rescue of flame-stricken Chicago.

We would honor and remember them all; blooms and blossoms for the nameless as well as the famous; the latter will not fail of praise, the former we will not forget. Oh, for begonia and petunia and hyacinth and fuchsia and lily and rose for the brave boy who in those days went first to the city and next to the camp and finally to the nameless mound within the enemy's lines; and oh, for camellia and lobelia and pansy and honeysuckle and scarlet verbena and delicate heliotrope and pure white jasmine and bluebells and other blooms for the sister and mother, the wife or sweetheart! How well we know that no jagged bullet ever tore its way into the heart of a boy in blue—and stopped there. We all know that the bullet went on until it found its everlasting abiding place in the heart of some suffering woman.

The conclusion of the whole matter is that we, the living, should heed the teachings of this day. The teachings are twofold—the first, that we must not forget; the second, that we must fortify in and for all the future. Fortify not only by recognizing our soldier and sailor and keeping his memory green but also by constantly rallying to the aid of

our flag the entire Nation. This battle field on which we stand and these thousands of battle dead tell us there must be only one flag in the American sky; that there is no room for the red flag or any other flag but the "Old Glory" of the soldier, the red, white, and blue that your children have been singing about here to-day. The rally I am talking about must be not only of men and guns, of women and war-time service such as women have given in all our wars, but it must be a conscription of every part and parcel of the resources of the Republic.

The past teaches us that we can expect little sympathy from foreign lands. We do not forget that in the middle of the Civil War, when Europe thought that we were hopelessly divided forever, she sent three foreign armies into Mexico, who took an Austrian duke by the name of Maximilian and crowned him Emperor of Mexico. We do not forget that Europe laughed at our protests, but it cheers us to recall that when the Civil War was over and the battle fields were deserted and the batteries were silent and the camp fires were out and we were once again a united Nation, the President of the United States started Phil Sheridan for the Rio Grande, the Mexican border, with 50,000 boys in blue (whole regiments under 21 years of age). And the three foreign armies stood not upon the order of their going, but got out of Mexico with speed. I would close with the thought that the American warrior from Bunker Hill to Malvern Hill, from Malvern Hill to San Juan Hill, and from San Juan Hill to Dead Man's Hill in France, has done some wonderful teamwork. Let us never forget the necessity of such teamwork. Listen to the poet:

"It is not the guns or armament,
Or the money they can pay,
But the close cooperation,
That makes them win the day.
It is not the individual
Or the army as a whole,
But the everlasting teamwork
Of every bloomin' soul."

But, fellow citizens the Revolution brought no Decoration Day, the War of 1812 established no permanent memorial custom, and the struggle with Mexico seems to have rendered no such occasion a necessity. It was reserved for another controversy to develop so much havoc of life, to tear such gaps in the ranks of manhood, to harrow so many homes with heartbreak, and to create so much of courage and of patriotism and of zeal, as to contribute the main interest to this day and occasion. For this hour the thoughtful elders of this Nation live again in the tumultuous time of 1861.

Visions of fast-rushing events rise to-day in the mind of the middle-aged man. He remembers the preliminary excitement. The country convulsed from day to day by ominous occurrences. This State trembling beneath the mighty blows struck by renowned champions of public opinion. Every community stirred to its foundations in the mighty crisis.

At last the crash comes and the fire is opened upon and against that devoted place, Fort Sumter. The patience of the Union's friends can endure no more. The forbearance of even the Chief Magistrate is exhausted. Sorrowfully he turns from the despairing presence of the angel of peace, and reluctantly beckons to the majestic spirit of war. The peaceful people respond as though called to participate in a summer spectacle. Every county tenders its company; every city its regiment; every State its batteries. "With malice toward none and charity for all," call after call comes from the Capital for troops. The call is not in vain. Massachusetts sends her noblest, New York puts forth her proudest, Ohio furnishes her bravest, California dispatches her boldest, Illinois forwards her best, and so does Maryland. Hundreds whose names we know; thousands more whose names are to us unknown; the whole grand heroic host.

The fragrance of their memory hovers over us to-day like a benediction from the past.

"Rest on, embalmed and sainted dead,
Dear as the blood ye gave,
No impious footstep here shall tread
The herbage of your grave,
Nor shall your glory be forgot,
While Fame her record keeps,
Or Honor points the hallowed spot
Where Valor proudly sleeps.
On Fame's eternal camping ground
Their silent tents are spread,
And Glory guards, with solemn round,
The bivouac of the dead."

After the passing of 53 years probably fifteen hundred thousand of the soldiers of the Union are to-day in their graves.

The new President, leaving his Illinois home for the National Capital, is so surrounded by menacing difficulties, that he knows his strong mind, courageous heart, and mighty soul to be unequal to the unprecedented task. To his neighbors assembled to bid him farewell he said: "There has fallen upon me a task such as did not rest even

upon the Father of his Country, and so feeling, I can not but turn and look for that support without which it will be impossible to perform that great task. I turn then and look to the great American people and to that God who has never forsaken them."

Grand and sublime figure, how he towers aloft in his pure nobility; how he guided this struggling and suffering country with patient, merciful hand; how he stood like a shield and a bulwark strong and firm between the Union and the perils that assailed it. Fling open the baskets! Pour forth the flowers! Cause his tomb to blush and to quiver and to glow with all the beauty and the loveliness and grace that nature can bestow, and still the spirit of the grand majestic Lincoln will break from beneath the fragrance, and rising God-like over us, reflect the light of a matchless integrity and prudence, over all that is or will be fair and good in Americanism.

Ladies and gentlemen, you and I know that Abraham Lincoln received the help that he prayed for—received it from 20,000,000 loyal hearts and from the Infinite Power on high. Abraham Lincoln put one hand into the outstretched palm of the American people. With the other he laid a strong hold of the almighty arm of the Almighty God. And standing there, supported by humanity and supported by divinity, he fought the grandest fight and won the grandest victory the human race has ever seen.

CENSUS—APPORTIONMENT

The SPEAKER. Under the resolution the House will automatically resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 312) to provide for the fifteenth and subsequent decennial censuses, and to provide for apportionment of Representatives in Congress, and the gentleman from Illinois, Mr. CHINDBLOM, will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 312, with Mr. CHINDBLOM in the chair.

The Clerk read the title of the bill.

Mr. FENN. Mr. Chairman, at the close of the session yesterday afternoon the first section of the bill was read. Are amendments now in order?

The CHAIRMAN. They are.

Mr. FENN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FENN: Page 1, line 4, after the word "unemployment," strike out the words "radio sets."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BANKHEAD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 1, line 6, after the period, insert the following:

"In taking such census the Director of the Census shall caused to be registered the names and addresses of all aliens and shall have entered upon such registration a statement by each alien showing by what right or authority of law he had entered the United States."

Mr. LAGUARDIA. Mr. Chairman, I make a point of order on that.

The CHAIRMAN. The gentleman from New York makes a point of order against the amendment.

Mr. BANKHEAD. What is the point of order?

The CHAIRMAN. The gentleman from New York will state the point of order.

Mr. LAGUARDIA. The amendment is not germane to the bill or to that section of the bill to which it is offered. It is not related to the subject matter. It applies to immigration, and not to the census or reapportionment. I desire to call particular attention to the latter part of the gentleman's amendment which requires a statement as to the authority of law by which the alien is in this country.

The CHAIRMAN. The Chair will hear the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Chairman, as I understand the point of order, it is that the amendment is not germane to the bill or to the provision to which it is offered. Is that the point of order?

Mr. LAGUARDIA. Yes.

Mr. BANKHEAD. I understood the gentleman's point of order is based on the proposition that it is not germane to the bill.

Mr. LAGUARDIA. Or to the section of the bill to which it is offered.

Mr. BANKHEAD. I will be brief in my statement as to the propriety of this amendment.

This is a bill to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress. It covers the whole subject of taking a census of the population of the United States, and sets out the ways and means by which it can be taken. It provides the general authority of law, which is very wide in its jurisdiction in conferring power on the Director of the Census.

This particular amendment is offered to a section which provides for a census of the population of the United States, including agriculture, irrigation, drainage, distribution, unemployment, and so forth, and here is merely an amendment which sets out a new duty that is imposed on the Director of the Census under this bill for the information of the country and of the Congress.

It seems to me it is certainly germane to the general purposes of the bill and is only setting up another subject of investigation and is germane to the section to which it is offered.

The CHAIRMAN. The Chair is ready to rule. The Chair wishes to call the attention of the gentleman from Alabama [Mr. BANKHEAD] to the fact that the word "caused" in his amendment should be changed to "cause."

Mr. BANKHEAD. I will make that correction.

The CHAIRMAN. The amendment of the gentleman from Alabama will then read as follows:

In taking such census the Director of the Census shall caused to be registered the names and addresses of all aliens and shall have entered upon such registration a statement of each alien showing by what right or authority of law he had entered the United States.

While it seems to the Chair that the matter of the registration, so called, is a little vaguely expressed, its purport in connection with the context to which it is offered doubtless would be that the census enumerators would make up lists of the names and addresses of all aliens, and in connection with those lists would show by what right or authority of law the aliens had entered the United States. That is a statistical matter, it seems to the Chair. The section deals with matters of statistics and enumerates the various things which may be subjected to a statistical enumeration and ascertainment of facts. It will be noticed that the section is very broad in the matter of the subject matter of these statistics and of the enumeration. It is not limited merely to population, but in addition relates to agriculture, irrigation, drainage, distribution, unemployment, and, in the original text, to radio sets and mines. With such a large number of items named in the section as to which statistics may be obtained, it seems to the Chair that the amendment is merely an enlargement of the general purposes of the section and therefore is not subject to a point of order, and the Chair overrules the point of order.

Mr. BANKHEAD. Mr. Chairman, I desire to be heard very briefly on the amendment.

The CHAIRMAN. Without objection, the word "caused" in the gentleman's amendment will be changed to "cause."

There was no objection.

Mr. BANKHEAD. Mr. Chairman and ladies and gentlemen, I have undertaken to set out in the phraseology of this amendment as accurately as I could the purpose sought to be effectuated.

We had a long discussion of this bill yesterday with reference to that feature of our population known as aliens, and from the responses that were received to the addresses made by the gentleman from Mississippi [Mr. RANKIN] and others upon this proposition upon both sides of this aisle it is apparent that this is a matter of profound interest to the Representatives of the American people.

I am not going to undertake to enter upon any prolonged discussion of the proposition involved with reference to our alien population. It has already been gone into very fully in the general debate on this bill, and I think I voice at least the sentiment of a very large part of the membership of this House when I assert that it is absolutely contrary to the genius and spirit of our institutions to have our representation in the law-making branch, the popular branch of the Government of the United States, based upon persons in this country of that type of man and woman who are not willing to dissolve their allegiance to their old country and do not think enough of American institutions and American protection and American rights to affiliate themselves with and at least attempt to become citizens of the United States. I say that that number of people are not representatives of the real spirit and purpose of the American Nation, and that they should not receive consideration in apportioning the men who are sent here to represent the real Americans residing within our borders.

It has been stated that there are from 2,000,000 to 3,000,000 aliens in the United States at the present time who are here unlawfully, who have been smuggled into this country, who have been bootlegged, so to speak, into the United States, who

have gotten into the country illegally and contrary to the laws of our country, and they came in conscious of the fact that they were violating the laws of the country, and after they have gotten in they have made no effort to correct their illegal status in the United States. This amendment is directed solely at that class of people who are here contrary to the Constitution and laws of the United States, and in my opinion the Congress is entitled to the information called for in this amendment. If this amendment is adopted and later on it can be worked out so that an amendment may be germane to the bill, it may be the sense of this House that upon the summing up of this illegal representation you will be unwilling to have those 2,000,000 or 3,000,000 men accorded representation in the House, based upon their illegal citizenship. That is the whole spirit and purpose of this amendment, gentlemen, and I submit it to your calm deliberation as American citizens and as representatives of real American constituencies that are anxious to preserve the spirit and purpose of our Constitution and of our laws.

Mr. TILSON. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. TILSON. Has the gentleman given consideration to the amount of extra work and time that this would require? The physical labor of doing what the gentleman has asked for, it seems to me, would absolutely block the taking of the census.

Mr. BANKHEAD. I can very well see that as a mere matter of economy it might not be best, but I will say to my distinguished friend from Connecticut, the leader of the majority party, that I consider this a matter of such profound importance to the Congress and to the country and the real spirit of our institutions that I think we would be justified in spending a few additional million dollars to secure this information. [Applause.]

Mr. TILSON. Would it not be better to take it up as a separate matter? The greater part of the information the gentleman is seeking can now be arrived at through the immigration authorities.

Mr. BANKHEAD. I will say to the gentleman that I want to take the opportunity while we are considering a bill into which this very proposition enters. I want to take advantage of the parliamentary opportunity to secure an expression from the House of Representatives upon this question here and now and give the House an opportunity to vote upon it.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. LAGUARDIA. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. LAGUARDIA. Mr. Chairman, I can understand the purpose of the gentleman from Alabama in suggesting an amendment of this kind. It is without doubt the most ingenious idea that has been presented for the purpose of so loading this bill and making it impracticable as to defeat its purpose. I will say to the gentleman from Alabama that it is highly desirable to obtain the information which he seeks, but I can assure him he will not get accurate information by seeking to ascertain the legality of aliens who are in the United States through census enumerators. I will leave it to any man who has had any experience in the matter of immigration to say whether there is not great difficulty in ascertaining and determining whether an alien is here unlawfully or not. If the amendment offered by the gentleman from Alabama is adopted, it means that every census enumerator will be constituted into a court of special inquiry under the immigration act to ascertain whether or not an alien is here lawfully—whether he comes under the act of 1917 or the act of 1921, or whether he arrived prior to 1924, whether he is a deserting seaman and how he entered the United States—for all these facts are factors in determining his right or status in the United States. What we should do is, through the Committee on Immigration, to authorize an appropriation and have experienced men in the Immigration Service make a special investigation.

Now, gentlemen, suppose a census enumerator asks an alien who is here unlawfully, "Are you here lawfully?" And he says, "Why, according to my judgment, I am; yes." What are you going to do about it? And then, how is he going to have personal contact with every alien? Does the gentleman suppose for a moment that every citizen and every person in the United States is personally approached by an enumerator? Not at all. He goes to a home and talks to the wife or person who is there and gets a record and facts concerning that family. That is the way it is covered. It would be impossible to get in personal contact with 120,000,000 people within the time provided for by the bill.

Mr. O'CONNOR of New York. Will the gentleman yield? —
Mr. LAGUARDIA. Yes.

Mr. O'CONNOR of New York. In New York he goes to the janitor of a 100-tenement apartment house and gets all the information from the janitor—is not that true?

Mr. LAGUARDIA. I doubt that. If he is on the job he will at least go to the head of each family. I will say to the House that what this amendment would do would only be to delay the result of the count and create confusion. It would vest in the census enumerators an authority that I am sure the gentleman from Alabama did not contemplate when he offered his amendment.

Mr. BANKHEAD. Will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. BANKHEAD. I think the gentleman has drawn a wrong conclusion with reference to the purpose of this amendment. It does not require a census enumerator to constitute himself a court; it merely requires a statement as to whether or not the man who is enumerated is an alien and have him submit a brief statement of facts showing by what authority of law he is in the United States, and if he is here under a passport he would say that he was here under a passport.

Mr. LAGUARDIA. That would not be sufficient. He would have to say whether he arrived under the act of 1917 or whether—

Mr. BANKHEAD. I am not asking for a decision of any doubtful question. I am only asking for a naked statement of the facts.

Mr. LAGUARDIA. But that requires a great deal more than what the gentleman contemplates.

Mr. BANKHEAD. No; I think not.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. JOHNSON of Washington. What would be done under this amendment with an alien who came here between 1921 and 1924 as a visitor but remained as an immigrant? What would be his answer?

Mr. BANKHEAD. He would simply answer as to the facts.

Mr. LAGUARDIA. Or suppose he were a treaty alien, or a visitor previously admitted and prior to the act of 1924?

Mr. DEMPSEY. Will the gentleman from New York yield?

Mr. LAGUARDIA. I yield.

Mr. DEMPSEY. Is it not a fact that, in order to enable the enumerator to ask questions intelligently, he would have to have an expert knowledge of the immigration law?

Mr. LAGUARDIA. Absolutely.

Mr. DEMPSEY. Which would not be possessed by any of these agents.

Mr. LAGUARDIA. Now I want the distinguished gentleman from Washington [Mr. JOHNSON], the chairman of the Committee on Immigration, to check me up if I am not correct in the statement that, in order to ascertain the status of the alien, the enumerator would have to find out from what country he came, the date he came, the ship he arrived on, and under what law he arrived here.

Now permit me to call the attention of the House to section 18 of this bill, on page 15. Why the bill itself prevents the use of any such information. Let me read:

That in no case shall information furnished under the authority of this act be used to the detriment of the person to whom such information relates.

That in itself defeats the purpose of the pending amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SABATH. Mr. Chairman, ladies and gentlemen of the committee, I do not blame the gentleman from Alabama for introducing this amendment, because I know he has been fed up on misinformation that has been given to the Nation by many so-called professional restrictionists without paying any attention to whether it is justified by the facts or not.

I feel that if it were possible to have such information as the gentleman from Alabama seeks I would be delighted to obtain it so that we could clearly demonstrate and prove that the charges that there are from 2,000,000 to 5,000,000 of these undesirable aliens are untrue.

Up to 1920 there was no quota basis and people could come in here under the immigration law legally, and there were very few who came illegally. Since 1920 and up to 1924 there were very few charges made that people came in here illegally, but since 1924 I concede that there were a great many seamen who deserted their ships and are still in the United States illegally; but I venture to say that if a real, honest census were taken we would find we have not more than a couple hundred thousand men in the United States who are not here in accordance with the laws of our land, and these are mostly seamen that reship.

They are here for a few months and then they reship to other ports.

The charges that the gentleman from Alabama makes of the tremendous number of these men who are here disregarding our laws and the Constitution of the land are far-fetched. I hold no brief for any of them. I do not want them in the United States, and there is no man who has been more strenuous than myself in trying to obtain legislation to deport every undesirable or every one within the United States who has no right to remain here, and in this statement the chairman of the Immigration Committee and the rest of the members of the committee will bear me out.

I think it is manifestly unfair that we should make these charges against these people, charges that are, as a general rule, unfounded and unjustified. There are exceptions, surely, and some of them are not yet citizens. Why? Because we have been making it harder and harder from year to year for these men to become citizens, and it is not because they do not desire to become citizens.

Mr. BANKHEAD. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. BANKHEAD. I will say to my friend, very frankly, I have no feeling with reference to this matter at all. I am not seeking to deport these men. I am not seeking to lay any burdens upon them by this amendment. I am merely seeking information that we are entitled to when we are taking a census of the United States. That is the only purpose I have in mind.

Mr. SABATH. Oh, I know the gentleman himself is broad and liberal, and I am only referring to inaccurate and misleading statements that are made from time to time. Unfortunately there are a great many American people who believe these unjustifiable statements.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SCHAFER of Wisconsin, Mr. MICHENER, and Mr. GIFFORD rose.

The CHAIRMAN. The Chair is endeavoring to recognize gentlemen with reference to the two sides of the Chamber and with reference to their possible attitude on the pending amendment. The Chair recognizes the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER of Wisconsin. Mr. Chairman, I shall vote against the pending amendment, basing my objections on the clear statement of facts presented by our distinguished colleague from New York [Mr. LAGUARDIA].

It is amusing to see the Representatives from State delegations which will lose a Member or two under an apportionment fighting apportionment all the way down the line. The gentleman from Alabama [Mr. BANKHEAD] and the gentleman from Mississippi [Mr. RANKIN] denounce the apportionment bill and harp on the injustice in counting the aliens. I believe that one of the real duties of an American citizen is to vote at all elections, and a citizen who does not take enough interest in a government of the people to exercise his right of suffrage is just as much a slacker as a draft evader in time of war.

Let us look at the facts set out in the Congressional Directory. One district in the State of Alabama, the sixth district, cast for its Member of Congress 9,539 votes at the last election. The total vote cast for eight Representatives of the State of Mississippi, which is the State of the gentleman [Mr. RANKIN], who has been fighting reapportionment all the way down the line, was 112,550.

The gentleman from Mississippi deplors the fact that aliens are counted for apportionment and claims unequal representation due to large alien populations in States, including Michigan and Wisconsin.

The Congressional Directory indicates that in the last election 328,441 citizens voted for the Representative from the sixth Michigan congressional district.

The record shows that the gentleman from Michigan [Mr. HUDSON] represents almost three times as many citizen voters as the entire delegation from Mississippi, yet the gentleman from Mississippi talks about unequal representation under the smoke screen of counting aliens. [Applause.]

Let us look at the voting record of Wisconsin and Mississippi in the last election in comparison with the total population of these two States according to the 1920 census. These census records indicate that Mississippi had a population in 1920 of 1,790,618. Mississippi has eight Representatives in the Congress, and the total vote cast in the last congressional election for these eight Representatives was 112,550. The census figures show that Wisconsin had a population of 2,632,067 in 1920, and Wisconsin cast a total of 896,618 for her 11 Representatives in the last congressional election. [Applause.]

I respectfully submit that southern Democrats who are talking about equality of representation and camouflaging and distort-

ing the facts under the alien smoke screen should be the last to talk about equality of representation in their zeal to defeat the apportionment bill. Under the present apportionment of Congress, when a vote is taken, eight Representatives from Mississippi cast eight votes, while the gentleman from Michigan [Mr. HUNSON] casts one vote, notwithstanding the fact that he has about three times as many qualified voters in his district as the entire Mississippi delegation. The gentlemen who want equal representation should bend their efforts toward the enactment of an apportionment bill. The constitutional provisions which require that aliens be counted in the apportionment are binding and I can not vote for any amendment which would nullify such provisions. [Applause.]

Mr. RANKIN. Mr. Chairman, when the gentleman from Wisconsin [Mr. SCHAFER] starts going about the House like a roaring lion seeking whom he may devour, I get somewhat nervous. When he talks about the Constitution he sheds light on that sacred document in inverse ratio to the volume of his voice. [Laughter.] He seems to legislate by ear, and since he is young in the Republican Party—having been out of it a few years ago—I advise him to use the touch system. [Laughter.]

He charges that only a small number of votes were cast in my district. That is true; but if he wants to see a big vote cast, let him come down there and run for Congress and let the people think there is danger of his election.

He makes me think of the old-time darkey who was employed to go on an errand late one afternoon, and decided that he would cut through a pathway and save part of the distance. A storm came on, and, as he spurred his old mule along, the rain began to fall. It grew dark, the lightning began to flash, and the storm broke in all its fury. His mule became frightened, threw him, and left him to grope his way through the darkness. He ran along the path as long as he could see by the flash of the lightning and then he would stop and tremble awhile, and the thunder would shake the ground. He was not making much progress. The storm kept growing worse. He did not know what to do. Finally he decided that he had better pray. About the time the notion struck him the lightning hit a tree pretty close by, and tore it into splinters. He dropped down on his knees and said: "O, Lord, I reckon You knows what You is doin'." I speck You knows more about what is best in a case like dis dan I does, but if it means all de same to You, I'd be powerful glad if You'd give me less racket and more light." [Applause and laughter.]

When the gentleman from Wisconsin [Mr. SCHAFER] gets up to discuss an amendment, I for one would esteem it a personal favor if he would give us less racket and more light. [Laughter.]

The amendment offered by the gentleman from Alabama [Mr. BANKHEAD] ought to be adopted. We have an amendment that we intended to offer to the same effect. What does it mean? It merely means to register the aliens in this country and to show those who are here without authority. Why not?

What is wrong with that to an American citizen? Why jump on the gentleman from Alabama [Mr. BANKHEAD]? The gentleman from Illinois [Mr. SABATH] says, "I do not blame him." Now, you can blame me all you want to. I represent American people and I am in favor of counting these people and finding out who is here unlawfully and deporting those criminals who are here in violation of law. I believe I represent the sentiment of the great mass of the American people in that respect.

One of these gentlemen said that there were only a few hundred thousands of them here, and another talked about what it will cost. If there are only a few of them, it will not cost so much to take their names and addresses and find out who they are and why they are here. Some one says, "You have to get the information from them." I would like to know from whom you would get this information. They are the only people on earth who can give it to you. Do not deceive yourselves, gentlemen. This amendment means the registration of aliens in this country.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Is there objection?

Mr. SCHAFER of Wisconsin. Reserving the right to object, Mr. Chairman, I amend that request by making it five minutes so that the gentleman can give us some light on the questions that I presented.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. I am trying to give light, but some people's minds are like the pupil of the eye—the more light you pour on

them the more they contract. [Laughter.] So I am not responsible if what little I have to say does not enlighten the distinguished gentleman from Wisconsin.

But I am telling you that here is the opportunity to register aliens in this country who are here unlawfully, and to get a count of them. It should be done, and I trust that the amendment of the gentleman from Alabama will be adopted. [Applause.]

Mr. MICHENER. Mr. Chairman and gentlemen, I find myself in rather a peculiar position to-day, standing on this floor for the first time when legislation affecting immigration and registration of aliens is being considered, and, agreeing with gentlemen who have heretofore spoken opposing this amendment, I yield to no one in my belief that aliens should be registered. I will go as far as any man in this House for a proper registration of aliens. We want results, not consequences. If this amendment is enacted, we will get consequences and not results. Many of these gentlemen who to-day are opposing this amendment have opposed all measures restricting immigration and will oppose all measures placing any restrictions upon our resident aliens. I make this statement so that you will understand that I am not opposing what this amendment aims at, but I am convinced that this is not the time or the place to legislate on this matter. If this amendment were adopted, it would not be workable. It would be simply out of the question to get any authentic information.

I want a registration, but I want a proper registration. I want a law such as is now pending before the committee which will compel these aliens to go to a proper place and there register and place the evidence before people who are capable of passing upon it.

Mr. SCHNEIDER. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. For a question.

Mr. SCHNEIDER. Let us take, for instance, the case of an alien who is not regularly in the country, but who is asked if he is entitled to be here. Suppose he should say that he is and tells how he came in. Would that prove that he is legally here?

Mr. MICHENER. That is the fallacy of this thing. If I want a census, I say to the gentleman from Alabama [Mr. BANKHEAD], I want a statement other than, as was said by the gentleman from New York [Mr. O'CONNOR], that of the janitor, as to whether an individual is an alien or not. Do we want figures of that kind brought back to this Congress and sent out to the country as authentic? Are we going to permit such people to bring back to us statistics upon which we are to base final legislation? Ordinary census enumerators are not qualified to determine whether or not an alien legally entered the country. Neither will enumerators under the census law be in a position to get the facts regarding aliens. If the census of aliens is taken, it should be taken under the direction of the naturalization authorities.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. Yes.

Mr. ROBSION of Kentucky. Would it be a proper census taking to get information from a janitor as to the people in the entire building?

Mr. MICHENER. I do not think so. It is not done that way in Michigan. I am not from the city of Detroit, but I say to you that you will get an honest, fair census in the city of Detroit. Some one said yesterday that in Detroit there were, in 1920, some 300,000 aliens. I think it was the gentleman from Kansas [Mr. AYRES]. He said according to all reports we had many more now. He is in error. He should at least tell us where he got the report.

Mr. AYRES. Mr. Chairman, I will tell the gentleman where I got the report. I got it from the Immigration Bureau.

Mr. MICHENER. Yes; as of 1920, taken under conditions that obtained directly after the war, before we had any immigration law. I did not have reference to the 1920 figures, but to the report that there are more aliens in Detroit now than then. There are certainly not 300,000 aliens in Detroit at this time. In Detroit we have Americanization schools, and these institutions are doing great work. The large employers in Detroit, like the Ford factory, I am advised, require citizenship or a start in the direction of citizenship as a prerequisite to employment. Large numbers of aliens are not coming in under the law and most of those entering are only too pleased to become citizens. Aliens are getting fewer each year and there is no reason why they should not be registered at the proper place and in the proper way. Statistics taken in the 1910 census, as cited by the gentleman from Kansas, may have been correct at that time.

But I challenge the statement that any report coming from the Bureau of Immigration shows that the number of aliens in the city of Detroit to-day is more than they were in 1920.

Mr. AYRES. That report was not made in 1910. It was made on the census of 1920.

Mr. MICHENER. I misspoke if I said 1910. I meant 1920.

Mr. AYRES. The supposition is that you have got more not naturalized now than you had in 1920.

Mr. MICHENER. That is an erroneous supposition.

In opposing this amendment, I repeat that I do not want to be put in the position of opposing registration of aliens. This is a census bill providing for the taking of a census primarily as a basis to reapportion the House of Representatives, and the amendment does not provide for the excluding of aliens in the count of persons when the census is taken. If the machinery provided in this bill could accomplish the purpose sought, then my attitude might be different. Those gentlemen here coming from States which will lose under a reapportionment are anxious to load this bill down with impossible things, so that it will be unconstitutional and unworkable. The State of Michigan is being deprived of just representation in this body because of the neglect of Congress to do its duty since the census of 1920. The first Congress after the 1920 census passed a reapportionment bill and has passed one reapportionment bill since that time, but the Senate has never permitted us to reapportion until the bill under consideration was passed by the Senate the other day. If impossible amendments are attached to this bill, then, of course, the Senate will not agree to the amendments and the desires of some of the gentlemen in this body will be realized, and reapportionment will again be postponed.

It is interesting to look over the CONGRESSIONAL RECORD and review the history of reapportionment legislation since 1920. The opposition comes from the States losing representation, although, of course, that reason is never assigned. Regardless of what the stated objections to this reapportionment bill are, I venture the assertion that this bill would be passed readily and with little, if any, opposition if every State could retain the number of Representatives it now has. That is, you would all hold your seats; that would mean possibly 540 Members in this body instead of 435. The weight of each vote would be the same if we reapportion under the Constitution.

Both the census and the reapportionment bills were given careful consideration by the proper committees of this body, as well as by the House itself. The Senate has made few changes, and I hope that this bill will be amended only by its friends and not by its enemies, and that in our zeal to "keep America for Americans" we will not make impossible the taking of the census and defer reapportionment.

Mr. O'CONNOR of New York. Mr. Chairman and members of the committee, it is perfectly idle to argue that this amendment is advanced for the sole purpose of obtaining information. Nothing is said about what you are going to do with the information when you get it. There is the same spirit behind the amendment that pervades this whole debate, and I have only this one thought to suggest: In view of that spirit of narrowness and antagonism which pervades this country, I do not understand how any self-respecting alien stays in it. [Applause.]

Mr. JOHNSON of Washington. Mr. Chairman and members of the Committee of the Whole, I feel it my duty in behalf of practicable and good legislation to take the floor in opposition to this amendment. I have the honor to be not only chairman of the House Committee on Immigration and Naturalization but a member of the Committee on the Census, and have given a good deal of study to this and other propositions that require detailed information to be taken from the census papers.

The plan of alien enrollment may be desirable, but it can not be taken in any practicable, worth-while way by census enumerators. Bear in mind that a census enumeration is one thing and the proposed enrollment of the alien is another. The paper filled out by the enumerator with respect to each person is a confidential document. The statistics thereon indicate whether or not a man is married or unmarried or divorced, and so on; and all of that is transferred to a great card system for the purpose of tabulation. Now, then, if you ask the questions proposed in this amendment, you have really got nothing. The next step would be to sift through the enumeration papers of 120,000,000 people and set aside all papers pertaining to seven and one-half or eight million aliens. What is the next step? Send investigators; and where is the law for that? Further, one could not well ask an alien who came here unlawfully into the country to incriminate himself by answering "yes" to some of the proposed questions of the enumerator. If a naturalized alien in this country prefers to say he was from Austria instead of from Poland or Germany, that lies with him. It is pretty hard to go behind his statement; so it will be with this proposal. If this were in a separate bill for the enrollment of aliens, with the proper plans for identification and for other details, I would not object to it.

Mr. TILSON. How much would it be worth, after giving all this time and attention to it? It would be worse than useless.

Mr. JOHNSON of Washington. I have undertaken to so state.

Mr. SPROUL of Kansas. The only information requested is a statement from the alien as to how he came here. If he is here legally, he will not hesitate to come up. If he is here illegally, he will say nothing.

Mr. JOHNSON of Washington. You will remember that the date of the basic immigration restriction law was 1917, and a great many aliens were here legally at that time. Further, under present law an alien coming before 1924 might have entered illegally and still be lawfully here now, the time limit against him having run. How would he answer? By a new law, opportunity is now being given to those who were here illegally prior to 1921 to take out naturalization papers.

Further, gentlemen, it was not until 1920 that the restricted quota law was passed, when we undertook to prescribe the number, and the status of some of those who did come under visa certificates from 1921 to 1924 is to this day uncertain. If asked, they would say they came between 1921 and July 1, 1924, legally; that is, they came with proper papers as visitors and remained as immigrants? How would they answer? After 1924 that point was cleared up.

Mr. McREYNOLDS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. McREYNOLDS. For how many years has your committee been working on a registration bill?

Mr. JOHNSON of Washington. For many years. We have already many bills on the so-called enrollment question. If any gentleman, including the able man who has left our committee, will indicate the machinery necessary, we will consider it.

Mr. McREYNOLDS. Does not the gentleman think this would give you such information as you might desire?

Mr. JOHNSON of Washington. I do not think it is a proper matter for the census, or that it can be properly carried out by the enumerators.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. DENISON. The gentleman said if a man is legally here he would not hesitate to answer, and if illegally here he would stand mute and not answer. The bill provides for the man who is illegally here, so that the result is that he will be punished if he refuses to answer the question, and if he does answer he incriminates himself.

Mr. JOHNSON of Washington. Yes; and besides that, you put a burden upon the enumerator that he could not perform.

Mr. OLIVER of Alabama rose.

The CHAIRMAN. Does the gentleman from Alabama desire to speak?

Mr. OLIVER of Alabama. I am interested in the statement just made by the gentleman from Washington [Mr. JOHNSON]. I am one of five members of the subcommittee of the Committee on Appropriations who handle the appropriation for the Department of Labor, and certainly no one has been more insistent than the gentleman from Washington in having the committee increase the appropriation for the deportation of aliens unlawfully here; and one reason why the committee and Congress has been slow to increase the appropriation is because we have had unsatisfactory information as to the number unlawfully here.

The gentleman often comes before the committee to urge us to accept his ipse dixit as to the number, and yet we find that when some sane proposal is made for the purpose of taking at least a step in the direction of having a survey made, he rises to oppose such step. Concede that the information thus obtained may not be as reliable as the gentleman would like it to be, certainly it is in line with what he has insisted calls for legislation.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. In a moment. If the gentleman can ask for large appropriations to deport aliens, surely he is not very consistent in now objecting that the Census Bureau be authorized to collect information as to a matter for which appropriations are annually made.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. OLIVER of Alabama. Certainly.

Mr. JOHNSON of Washington. Will the gentleman suggest any possible way by which information of the kind proposed can be secured by enumerators and transferred to any source where it can be used? The gentleman has challenged the work of the House Immigration Committee.

Mr. OLIVER of Alabama. The Census Bureau will collect information that will be collated in such way as to force your committee to report some bill. [Applause.]

What do we collect information for through the Census Bureau? It is in order that we may so tabulate that information that it will be of service, and if the Census Bureau collects and tabulates this information, even though the names of the parties that enter into that tabulation may not be given, you will have collected information that will cause this House to see that proper steps are taken to secure effective legislation. Surely there can be no objection to collecting information about a matter which everyone who has spoken admits should be known. Take our good friend from Michigan, who says he is in favor of restrictive immigration and in favor of registering all aliens, yet he objects to this way of getting information as to the number of aliens unlawfully here, because he feels there is force in the statement made by the gentleman from New York that sometimes census enumerators get their information from janitors. I question whether such statement will be supported by facts if you inquire of the Director of the Census. It may be that enumerators do get information from janitors, but doubtless the enumerators use such information as a basis for further investigations and inquiries. When the census survey on this matter is announced I predict that this House will pass effective legislation to require the registration of aliens and adequate appropriations will be made for the deportation of all aliens unlawfully here. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. WAINWRIGHT. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended for one-half minute.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the time of the gentleman from Alabama may be extended for one-half minute. Is there objection?

There was no objection.

Mr. WAINWRIGHT. Do I understand the gentleman concedes that the information acquired by these enumerators must be confidential and could not serve as a basis either for the prosecution or for the deportation of any alien unlawfully here?

Mr. OLIVER of Alabama. If we pursue the same policy we have in the past in reference to such information, it would be treated as confidential.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. FENN. Mr. Chairman, I move that all debate on this amendment and all amendments thereto do now close.

The CHAIRMAN. The Chair will state the motion. The gentleman from Connecticut moves that all debate on this amendment and all amendments thereto do now close.

Mr. DOWELL. Mr. Chairman, I move to amend that motion by making it 10 minutes.

The CHAIRMAN. The gentleman from Iowa moves to amend the motion, that debate close in 10 minutes. The question is on the amendment to the motion.

The amendment was rejected.

The CHAIRMAN. The question is on the motion of the gentleman from Connecticut that all debate on this amendment and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. BANKHEAD].

The question was taken; and on a division (demanded by Mr. BANKHEAD) there were—ayes 141, noes 115.

Mr. FENN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. FENN and Mr. BANKHEAD.

The committee again divided; and the tellers reported that there were—ayes 163, noes 122.

So the amendment was agreed to.

Mr. SWING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SWING: On page 1, line 4, after the word "unemployment," insert "needy aged."

Mr. SWING. Mr. Chairman and members of the committee, at the close of the session yesterday I took 10 minutes to make an appeal for the collection of statistics as to the needy aged. I asked that this coming census collect and publish statistics regarding the need for old-age pensions. It becomes necessary to offer this amendment at this place in order to make in order an amendment which I will offer later if this amendment carries, and for the information of the committee I will ask the Clerk to read the second amendment which I will offer later if this amendment is adopted.

The CHAIRMAN. Without objection, the Clerk will report the amendment for information.

There was no objection.

The Clerk read as follows:

Amendment proposed by Mr. SWING: On page 14, after line 19, insert the following as a new paragraph:

"Sec. 18. That the Director of the Census be, and he is hereby, authorized and directed, in the making of the decennial census herein provided for, to collect and publish statistics concerning the need for old-age pensions, including the number of men and women who are of the age of 65 and over, who, singly or jointly, with their respective husband or wife, if their husband or wife is living, possess property of the value of less than \$3,000 or an assured income less than what would ordinarily be received from \$3,000 invested; the number of such men and women who are being cared for in charitable institutions of one kind or another; also the number of such men and women outside of institutions who are wholly and in part dependent upon public or private charity."

Mr. SWING. This proposed amendment does not in any wise commit the Government to any Federal old-age pension. I am not asking for a dollar, I am merely asking for the information on which the State legislatures can properly act.

There is no other agency that can collect and make public authentic and reliable information upon this important subject.

On January 1, 1929, five States had adopted an old-age pension, but most of them so recently that there were only statistics available from two States. At the last sessions of the legislatures the matter of old-age pensions was discussed in 26 legislatures. Four of them enacted it into law and in 6 more the proposal passed in one house or the other.

It is going to be a subject of increasing interest during the coming 10 years. The collection of this information, which I say again can be had from no other source, will be a valuable contribution toward enabling the legislatures of the various States making a right decision of this great humanitarian problem. It will not be burdensome. There are only 5,000,000 persons in the United States over the age of 65. Two questions will secure the desired information which has been asked for by the welfare commissions of a number of States.

I ask your sympathetic consideration of this problem for a class of people who have no organization, who have no bloc, who have no propaganda in their behalf; a class of people whose economic condition and whose personal pride prevent them from speaking for themselves. [Applause.]

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the amendment offered by the gentleman from California [Mr. SWING].

The question was taken; and on a division (demanded by Mr. SWING) there were—ayes 76, noes 95.

So the amendment was rejected.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 1, line 5, after the word "year," strike out the figures "1929" and insert in lieu thereof "1930."

Mr. RANKIN. Mr. Chairman, there is no disagreement between the chairman of the committee and myself on this proposition. This was the unanimous agreement of the Committee on the Census.

The Constitution provided that we should take a census in 1790 and within every 10-year period thereafter. We took the census of 1920 in January, and if this provision should remain in the bill we would be taking two censuses within a 10-year period, and it would be in violation of the Constitution.

We have another amendment in line with this one which will be offered later.

Mr. KETCHAM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and gentlemen, I think you all understand clearly the purpose of the amendment and probably the reason 1929 appears instead of 1930.

It would be futile for me, and I shall not undertake, to discuss the very profound constitutional question involved in the question raised by the gentleman from Mississippi as to whether it should be 1929 or 1930. That is a matter for those of you who dwell in that field to settle for yourselves.

I am simply here presenting for your consideration the viewpoint of the men of the country as represented in their farm organizations in behalf of a census to be taken in November of 1929 instead of November of 1930.

The reasons have been very clearly set out in the debate that occurred in the Senate and I shall not repeat them here. I

simply want to say that if time permitted—and it is not my purpose to delay a vote on this question—I should be pleased to present communications from all the representative farm organizations urging that the census be taken in November as opposed to May, from an agricultural standpoint.

Mr. FENN. Will the gentleman permit an interruption?

Mr. KETCHAM. I yield to the gentleman.

Mr. FENN. Were those communications in regard to the census of population or in regard to the census of agriculture? The committee had nothing from the farm organizations in regard to population.

Mr. KETCHAM. It was with reference to agriculture.

Mr. FENN. This proposes to put the population back to November 1, 1929, outside of the decennial period.

Mr. KETCHAM. 1929; yes.

Mr. FENN. The Senate put them both together.

Mr. KETCHAM. The Senate put them both together, and I am opposing the amendment of the gentleman from Mississippi for the simple reason that it changes the language of the Senate bill and will, if his amendment prevails, disturb the situation that the farm organizations desire.

Mr. FENN. Does the gentleman consider the census of agriculture as more important than the census of population?

Mr. KETCHAM. I do not, and I shall be very pleased to answer the gentleman by saying that in my humble judgment a census taken in November will be fully as accurate from a population standpoint as a census taken in May, and from the standpoint of agriculture there can be no possible reason why anyone should prefer a census taken in May to a census taken in November.

Mr. THURSTON. Will the gentleman yield?

Mr. KETCHAM. In just a moment. I understand that when I yield to a member of the committee I yield to a gentleman who is opposed to my proposition, and so I prefer to have him speak in his own time.

The reason I am advocating the proposition of a census taken in November is that for once at least a census should be taken that will afford agriculture an opportunity to get a basis for the most accurate picture that can possibly be secured, and anyone who is at all familiar with farm conditions will certainly agree that if you go to a farmer in November who has been operating a farm for the past year you will get from him a more nearly accurate picture of his farm operations for that year than you will get from the man who occupies that farm in the succeeding May and, consequently, for the reason that I believe that that census will be very much more nearly accurate. I sincerely trust that the amendment of the gentleman from Mississippi will be rejected and that the bill as passed by the Senate, where full consideration was given to this proposition, will be adopted in its stead.

In the closing minutes of my time I want to say that not only is the viewpoint expressed by the farm organizations in favor of a census in November, 1929, true but it is also true that the Secretary of Agriculture and the former Secretary of Commerce, now President of the United States, are on record as favoring the November date for taking of the combined census of agriculture and population. [Applause.]

Mr. MONTAGUE. Mr. Chairman, the argument of convenience or inconvenience is immaterial to a decision of the pending question. We have no right to override the plainly expressed provisions of the American Constitution. [Applause.]

Article I of the Constitution carries the legislative powers—that is, it prescribes the powers vested in the legislative body of the Nation, which is the Congress of the United States.

The second section of Article I provides:

The actual enumeration shall be made within three years after the first meeting of the Congress of the United States and within every subsequent term of 10 years in such manner as they shall by law direct.

We need not quibble about it, there is no way of refining an answer that will support the position of the admirable gentleman who just addressed the House. The first census was taken in 1790. The first Congress met in 1789; the first census was taken in 1790 and in every decennial term from that period to 1920. Therefore, the census under consideration, the census we are authorized to take, begins the 1st day of January, 1930, and can not be taken prior thereto.

Now, this is not my opinion alone, but the House Committee on the Census last year made a very admirable report on this precise question. I will not read all of it. It says:

All of these enumerations have been made during the even decennial years and the committee feels that it is essential that future enumerations should be made in the same decennial period.

That committee clearly realized its obligations to the Constitution and therefore followed it. Why we should undertake

to take a census when we are unauthorized by law so to do is one of those mistakes that applies to that Homeric genius that nods sometimes.

Mr. Warren, in his book on Making of the Constitution has put on page 297, which I will insert in the Record, the statement of all the censuses taken from 1890 down to and inclusive of 1910, also giving the dates of apportionments. Of course, the date of apportionment might be the 1st day of January, but it must be within the beginning of the period of the 10 years, and the year 1930 and not the year 1929 establishes that beginning.

Mr. KETCHAM. Will the gentleman yield?

Mr. MONTAGUE. I yield.

Mr. KETCHAM. Will the gentleman insert in the Record the months and years in which the censuses were taken?

Mr. MONTAGUE. I have not that here.

Mr. RANKIN. I have it and I will give it to the House.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MONTAGUE. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. RANKIN. I will give the dates of the taking of the censuses.

In 1790 it was taken on the first Monday of August; the second census was on the first Monday in August in 1800; the third census was taken on the first Monday in August in 1810; the fourth was taken in 1820 on the first Monday in August; the fifth was taken on June 1, 1830; the sixth was taken on June 1 in 1840; the seventh was taken on June 1, 1850; the eighth was taken on June 1, 1860; the ninth was taken on June 1, 1870; the tenth was taken on June 1, 1880; the eleventh was taken on June 1, 1890; the twelfth was taken on June 1, 1900; the thirteenth was taken on April 15, 1910, and the fourteenth was taken on January 1, 1920.

Mr. FENN. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. FENN. From the sixth census to the fourteenth, population and agriculture were taken on the same dates, the 1st of June. From 1840 until 1920 they were taken on June 1, except that in 1910 they were taken on April 15 and in 1920 on January 1.

Mr. MONTAGUE. Those are mere details relating to the expediency of the time in which you will take the census within the decennial. The point I am trying to bring to the attention of the committee, I think will be conceded by those who have given it thorough study, is that we must arrive at a certain period within which you must act within which the census is operative. Whether it be in the spring or the fall is a detail. I contend that the Constitution prescribes that Congress shall take the census every 10 years after 1790, and that has been consecrated by the practice of this Government down to 1920.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. COOPER of Wisconsin. As I understand it, the construction which the gentleman from Virginia seeks to put upon that constitutional provision is this: That while the Constitution provides that the first census shall be in 1790 and then within every 10 years thereafter we must construe "Within every 10 years thereafter" as meaning during every tenth year thereafter.

Mr. MONTAGUE. No; at any time thereafter within the period of 10 years.

Mr. COOPER of Wisconsin. "Within 10 years" is any time inside the two boundaries of the decade.

Mr. DENISON. And in that connection will the gentleman yield to one observation? The exact language of the Constitution is not in the 1790, but within three years after the first meeting of the Congress of the United States. When did the First Congress meet?

Mr. MONTAGUE. The first census was taken in 1790.

Mr. DENISON. When did the First Congress meet?

Mr. MONTAGUE. 1789.

Mr. DENISON. It was in 1789, and if the gentleman's construction of the word "within" is correct, of course the census would have to be taken three years after that time, but, on the contrary, Congress took it within the three years, or the next year thereafter. Why should you construe the word "within" to mean a period of 10 years rather than within a period of 10 years?

Mr. MONTAGUE. I construe it as the gentleman does, within a period of 10 years. The point I make is as to when this period of 10 years commences to run. I maintain, from the

practice of the Government down to this date, it begins to run on the first day of the decennial term, and a period anterior to that date is provided in the bill. We have already taken the census for 1920, and the census for 1930 must be taken within the period beginning January 1, 1930, and ending midnight of December 31, 1939.

Mr. THURSTON. Mr. Chairman and members of the committee, while the gentleman from Virginia [Mr. MONTAGUE] has presented a constitutional question, which probably erects a barrier against using a period in an odd year, yet there is a practical situation here that we must meet, and this was thoroughly considered by the committee. It is proposed to take this census in the month of November. A census of what? Not only population but of agriculture, irrigation, drainage, distribution, unemployment, mines. It is well known that the great industrial, commercial, and financial institutions of this country keep their statistics by the year. What means would we have of dividing those statistics up into 10 months of the year? There would be a great amount of confusion that would arise if we were to provide that this census is to be based as of November 1, because practically all the great business and industrial concerns in our country either have a year from July 1 to June 30, or from January 1 to December 31. So it is manifest to us that this provision as written by the Senate would be impractical and unworkable. The Committee on the Census having this in mind, provided for the full decennial period which, of course, could be divided into 10 units of one year each.

Mr. MONTAGUE. When does the gentleman consider the decennial year to begin?

Mr. THURSTON. On the 1st of January.

Mr. MONTAGUE. What authority has the gentleman to advance it to November, 1929?

Mr. THURSTON. Oh, I am opposed to taking the census as of November 1.

Mr. MONTAGUE. Oh, I beg the gentleman's pardon. I misunderstood him.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WOOD. Mr. Chairman, I wish to make one observation in support of what has been said by the gentleman from Virginia [Mr. MONTAGUE]. The Constitution provides that this census shall be taken every 10 years. We took the census in 1920. If we take another in 1929 we will have taken two within the 10-year period. It occurs to me that this should answer this whole proposition. [Applause.]

Mr. LOZIER. Mr. Chairman, I rise in support of this amendment. There was no disagreement in the House Committee on the Census as to when this census should be taken.

This matter was gone into thoroughly by the Census Committee, and, all things considered, it was the opinion of every member of that committee that the census ought not to be taken in 1929, but that it should be taken in 1930, and in the spring of that year, not only for constitutional reasons which undeniably require the census to be taken in the 10-year period beginning with the year 1930 but because by taking the census in the spring of the year we would get a more accurate and dependable enumeration of the population in the States where they reside. Fewer people will be absent from their homes in May than in November. Then, again, we can get a much better farm census in May than in November.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

Mr. LOZIER. Yes; I yield to my colleague from Iowa.

Mr. THURSTON. It has been mentioned here that the membership does not understand as to when it is to be effective. It is as of January 1.

Mr. LOZIER. Yes. Something has been said about the Secretary of Agriculture and the Secretary of Commerce wanting the census taken in November, 1929.

I will tell you the plain facts in the case. The Census Bureau, through Doctor Steuart and his assistants, came before the House Committee on the Census and agreed that the census should be taken in 1930 and in the spring of the year. These officials of the Census Bureau discussed with the Census Committee the many arguments for this or that date for taking the population census and also the farm census, census of distribution, and to secure the other statistical data to be embraced in the census, and there was complete agreement between the committee and the Census Bureau that the census should be taken in the spring of 1930, and that May was the best month when weather, climatic, and other conditions throughout the Nation were considered. It was also agreed that by taking the farm census in May, we could get a more complete farm census, because by that time all crops have been gathered and marketed and the statistics would then be available for the calendar year ending on the preceding December 31.

But after this decision was reached, Mr. Olsen, the Chief of the Bureau of Agricultural Economics, came before the committee and said the Department of Agriculture wanted the farm census taken in the fall, and gave as a reason for this request that theretofore the Department of Agriculture had arranged their statistics for a year ending in November or December, and that for purposes of comparison they wanted the statistics compiled in the next census to end in the fall of the year, preferably in November or December. This gentleman also stated that practically all the crops would have been harvested and sold prior to November 1 and the returns from the sale of crops had been received by the growers by November 1. He even went so far as to say that a very considerable part of the livestock slaughtered on the farm was slaughtered before November 1, when everybody knows that because of warm weather comparatively few animals are slaughtered before the first of the year, because the farmer must wait until real cold weather before he can safely butcher. But this expert agricultural economist does not seem to have learned what every 10-year-old farm boy in America knows.

But this expert tenaciously held to a theory which was absolutely contradicted by the facts. Frequently, because of continued rains and warm weather, three-fourths of the corn crop in the Middle West has not been gathered by November 1, and we know that at that time the feed lots are filled with cattle and hogs and few farmers have marketed their livestock, the major portion of which is fattened on the corn crop grown that particular year. We know that the western farmer is not in a position November 1 to balance his accounts and make a showing of his production and income for the current year, because he has not marketed the products of his labor. On November 1 several million bales of cotton are unpicked in southern fields.

Again, in Minnesota, Montana, Maine, Vermont, the Dakotas, and other Northern States, winter has fallen by November 1, and the roads are covered with snow and ice, and travel is obstructed, or at least difficult, but by May 1 travel would be easy, returns would have been received from all crops grown the previous year, and what is more important, practically all the farm population would be at home and on the farm and be counted. It is a well-known fact that in October and November millions of farm boys go to the cities to work in the mills and factories. If the census is taken while they are away from the farms they are enumerated in distant cities and States, and as a result, the farm population is greatly reduced and the agricultural States lose Representatives in Congress and votes in the Electoral College.

I want the census taken at a time the farm population is on the farm so the agricultural States may get their just proportion of the Representatives in Congress and their proper share of votes in the Electoral College. And it is quite generally agreed that in the month of May more of the farm population is at home, on the farm, than in any other month of the year. Therefore, in justice to the agriculture classes, I insist on the census being taken in May and not in November.

But in order to set aside the combined judgment of the Census Committee and the Census Bureau, the politicians of the Agricultural Department went over the heads of the officials of the Census Bureau and did some logrolling with the Department of Commerce, and, as a result, an equivocal letter was sent to the Census Committee signed by the Secretaries of Commerce and Agriculture saying it would be satisfactory to have the census taken in the fall of the year, but the Census Committee, well knowing that this letter had been secured by logrolling, ignored it and agreed unanimously that, in fairness to all classes, the census should be taken in May and not in November, because no one will deny that millions of farmer boys have gone to the cities to work in the mills and factories and would not be counted in the States where they really lived, but would be counted as a part of the city population in some industrial State, and as a result, the State in which they really live would have its representation cut down and its vote in the Electoral College reduced. In common fairness and honesty, we should hold tenaciously to May as the month in which the next census shall be taken.

It is conceded that when the 1920 census was taken many farm boys were yet in the Army and millions who had been discharged had not yet returned to the farm, but were working in the factories and waiting for spring to come to return to the farm. Taking the census in January, 1920, when the roads were impassable and the weather exceedingly severe was a grave injustice to the agricultural classes.

Yesterday in the course of the general debate on the pending bill I gave some reasons why, in my opinion, aliens should not be counted in determining the population for the purposes of apportioning representation in Congress. I desire to make some additional observations on the same subject.

May I say in the beginning that I have a profound respect for the foreigner who left his native land, came to our country and was naturalized, and became a citizen of this great Republic. By reason of his naturalization he becomes a 100 per cent American and is entitled to all the privileges and immunities incident to citizenship in our outstanding Republic. Since 1820 more than 37,000,000 foreigners have come to the United States, and a vast majority of them became citizens and members of our national family because they voluntarily became naturalized and loyal, upstanding citizens, who contributed much to the development and material and moral progress of our Nation.

And I have no ill-will toward the foreigners who have come to our shores but who have not been naturalized. I would do them no harm but, inasmuch as they are enjoying the blessings of civil and religious liberty under our flag, I do think they should show their appreciation and interest in our institutions by becoming naturalized citizens. According to the 1920 census we had a total population in the United States of 105,710,620, of which 98,283,016 were native or naturalized citizens and 7,427,604 were aliens.

In other words, in 1920, 1 in every 13 persons in the United States was an alien. In an apportionment under the 1920 census, one-thirteenth of the membership of the House would be based on the alien population. In other words, about 31 of the 435 Members of the House would represent an alien population and the other 404 would represent the native born and naturalized citizenship of the United States. And under such an apportionment 31 electoral votes would be based on the alien population and the other 404 electoral votes would be based on the native born and naturalized population.

By not excluding aliens, you are taking from the native and naturalized population, 31 Representatives and 31 electoral votes and giving these 31 Representatives and 31 electoral votes to our alien population. I do not think this is fair to our native born or to our naturalized foreign-born population. Our citizens, whether native or naturalized, are of our own household faith, and we certainly ought not to take these Representatives in Congress and these electoral votes from them and give them to the foreigners who have never shown enough interest in our institutions to enroll themselves under our flag.

By not excluding aliens, we are not doing justice to our foreign naturalized citizens. We are discriminating against the naturalized foreigner and in favor of the alien foreigner. We are taking 31 Representatives and 31 electoral votes away from our foreign population who have become naturalized citizens and we are giving these 31 Representatives and 31 electoral votes to the unnaturalized foreigner. If the unnaturalized foreigner is to be treated as well as or better than the naturalized foreigner, what inducement is there to foreigners to become citizens of our Republic?

The following table shows the status of our foreign-born population in 1920:

White foreign population, naturalized.....	6,285,150
Alien or unnaturalized population.....	7,427,604
Total white foreign population.....	13,712,754

It will be observed that in 1920, 54 per cent of our foreign white population was unnaturalized and only 46 per cent naturalized.

According to report issued by the Census Bureau in 1922, there were five and one-half million foreign-born white population of voting age in the United States, 2,800,000, or 52 per cent, of which was naturalized, and 2,220,000, or 40 per cent, of which was not naturalized. Now, some of you gentlemen insist on counting these 2,000,000 aliens of voting age, as well as several millions more under the age of 21 years, when you apportion the membership of this House among the several States. I submit that this method is not fair to the native-born population, nor is it just to the foreigners who have come into our midst and by naturalization become citizens and defenders of our flag. I say that we should treat the alien fairly, deal justly with him, do him no wrong; but, on the other hand, we should not count him when we apportion the membership of this House and votes in the Electoral College among the several States.

According to the 1920 census, the population of continental United States was approximately 106,000,000, made up of the following racial groups:

Native white population.....	81,108,161
Foreign-born white population.....	13,712,754
Colored or negro.....	10,463,131
Indian.....	244,437
Chinese.....	61,639
Japanese.....	111,010
Filipinos.....	5,906
Hindus.....	2,507
Koreans, Siamese, Hawaiians, Malays, Maoris, and Samoans.....	9,488

The following table shows the alien population in the United States according to the 1920 census:

	Federal census Jan. 1, 1920	
	Total population	Aliens
United States.....	105,710,620	7,427,604
Alabama.....	2,348,174	8,968
Arizona.....	334,162	68,606
Arkansas.....	1,762,204	6,296
California.....	3,426,861	453,397
Colorado.....	939,629	54,400
Connecticut.....	1,380,631	233,634
Delaware.....	223,003	11,496
District of Columbia.....	437,571	13,739
Florida.....	968,470	35,899
Georgia.....	2,895,832	7,652
Idaho.....	431,866	15,765
Illinois.....	6,485,280	543,528
Indiana.....	2,930,390	84,977
Iowa.....	2,404,021	69,401
Kansas.....	1,769,257	48,509
Kentucky.....	2,416,630	11,934
Louisiana.....	1,798,509	30,507
Maine.....	768,014	65,046
Maryland.....	1,449,661	51,163
Massachusetts.....	3,852,356	629,227
Michigan.....	3,668,412	383,583
Minnesota.....	2,387,125	158,374
Mississippi.....	1,790,618	4,548
Missouri.....	3,404,055	78,772
Montana.....	548,889	35,410
Nebraska.....	1,296,372	58,422
Nevada.....	77,407	9,557
New Hampshire.....	443,083	53,250
New Jersey.....	3,155,900	421,551
New Mexico.....	360,350	23,456
New York.....	10,385,227	1,609,190
North Carolina.....	2,559,123	3,819
North Dakota.....	646,872	35,183
Ohio.....	5,759,394	372,925
Oklahoma.....	2,028,283	20,287
Oregon.....	783,389	49,918
Pennsylvania.....	8,720,017	795,330
Rhode Island.....	604,397	92,913
South Carolina.....	1,683,724	3,339
South Dakota.....	636,547	25,544
Tennessee.....	2,337,885	7,547
Texas.....	4,663,228	286,297
Utah.....	449,396	24,599
Vermont.....	352,428	23,472
Virginia.....	2,309,187	16,524
Washington.....	1,356,621	124,866
West Virginia.....	1,463,701	46,983
Wisconsin.....	2,632,067	203,888
Wyoming.....	194,402	13,913

Much of our alien population is congested in our great cities, as will appear from the following table:

	Federal census Jan. 1, 1920	
	Total population	Aliens
New York, N. Y.....	5,620,048	1,218,074
Chicago, Ill.....	2,701,705	382,741
Philadelphia, Pa.....	1,823,779	210,538
Detroit, Mich.....	993,678	185,969
Cleveland, Ohio.....	796,841	138,368
St. Louis, Mo.....	772,897	45,018
Boston, Mass.....	745,060	135,627
Baltimore, Md.....	733,826	42,282
Pittsburgh, Pa.....	588,343	58,268
Los Angeles, Calif.....	576,673	72,024
Buffalo, N. Y.....	566,775	58,520
San Francisco, Calif.....	506,676	79,024
Milwaukee, Wis.....	457,147	55,134
Washington, D. C.....	437,571	13,739
Newark, N. J.....	414,524	69,108
Cincinnati, Ohio.....	401,247	14,598
New Orleans, La.....	387,219	17,132
Minneapolis, Minn.....	380,582	34,099
Kansas City, Mo.....	324,410	12,969
Seattle, Wash.....	315,312	43,231

Therefore it is not strange that practically all the great cities want aliens included in the count so their States may have a larger representation in Congress than they would be entitled to if aliens are excluded from the count. If these millions of aliens want to be counted and want representation in Congress and in the Electoral College let them become naturalized and take the oath of allegiance to our country and flag as has been done by millions of other foreigners who by becoming naturalized citizens have become our brethren and members of our own household.

Ten States in 1920 had an exceedingly large alien population, as the following table will show:

California	453,397
Connecticut	233,634
Illinois	543,528
Massachusetts	629,277
Michigan	383,583
New Jersey	421,551
New York	1,609,190
Ohio	372,925
Pennsylvania	795,330
Wisconsin	203,888

Total alien population in 10 States..... 5,645,303

Under the last apportionment each State was allowed one Representative for each 211,000 population. On that basis these 10 States, under the 1920 census, would have been given approximately 25 additional Representatives on account of these five and one-half million aliens, while that number of Representatives would have been taken from the States whose population is largely native and naturalized.

I repeat, that to count aliens is not fair to the native population and not fair to the foreign-born inhabitants who have by naturalization become citizens.

By glancing at the foregoing table you will readily understand why these States with an enormous alien population want aliens counted for the purpose of apportioning Representatives, because under that method they get about 25 additional Representatives and 25 additional electoral votes to which they are not entitled.

I may add that nearly all the foreign-born population in Missouri are naturalized citizens and the great majority of them are as high-class men and women as can be found anywhere. And I am not willing to take away from the native and naturalized citizen of Missouri two or three Congressmen and two or three electoral votes and give them to the unnaturalized foreign-born population of Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, Ohio, Illinois, Michigan, Wisconsin, and California. We certainly owe a higher duty to our native and naturalized citizens than we owe to the millions of unnaturalized foreigners who enjoy the blessings of our Government but refuse to become citizens of the Nation that protects and enriches them. I therefore appeal to the membership of this House to write into this bill a provision that will exclude aliens from the count when the population is ascertained for the purposes of apportioning Representatives in Congress among the several States. Such a policy is founded on reason and common sense. [Applause.]

Mr. FENN. Mr. Chairman, I move that the debate on this amendment and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was agreed to.

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Iowa.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: Page 1, line 4, after the word "distribution," strike out the word "unemployment."

Mr. DICKINSON. Mr. Chairman and Members of the Committee, my purpose in presenting this amendment was to take cognizance of the fact that unemployment is a transitory thing. We are unable to determine just what unemployment is. You may not be able to say when a man is out of work. It depends on the time of the year as to whether a man is working or not working. This census ought to be a statistical census for the purpose of counting our population and determining the statistics necessary on which we can base our reapportionment program. The idea as to whether a man is employed or not is an entirely different question, and you should not cumber this census with detailed information as to unemployment. You can go to the Department of Labor for that information. I hope the amendment will be agreed to. [Applause.]

Mr. LA GUARDIA. Mr. Chairman, it is an easy matter of fact to ascertain whether or not a man or woman has a job.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. LA GUARDIA. In a moment. Let me just finish one sentence at least.

Mr. DICKINSON. If you had a job one day and did not have it the next day, what good would that information be?

Mr. LA GUARDIA. What we want to know is how many people are unemployed. It is not necessary to be a lawyer or a sleuth or an investigator to get that information. Just a few moments ago the gentleman from Iowa went through the tellers and voted for an amendment which requires a judicial investigation.

Mr. DICKINSON. I happened to be with the gentleman on that motion and did not so vote.

Mr. ARENTZ. What we want to determine is how much work a man has had during the period of a year. It is not a question of whether he worked yesterday or to-day. It is a question whether he has worked long enough to support his family.

Mr. LA GUARDIA. Yes. We want information to determine whether we have real prosperity or a stock-ticker prosperity.

Mr. LOZIER. Mr. Chairman, will the gentleman yield?

Mr. LA GUARDIA. Yes.

Mr. LOZIER. Would not that be the same information as is obtained by the Labor Department?

Mr. LA GUARDIA. No. I hope the gentlemen on this side who have done so much to destroy the bill will at least not support this amendment.

Mr. WOOD. Mr. Chairman, it strikes me that no good can come from leaving in this measure the word "unemployment." I will tell you why. If you take a census of unemployment to-day it would be of no value six months from now.

The only value of a census of unemployment would be that it might be of service for the seasonal period in which it was taken.

Then, I wish to call your attention to this fact: The Appropriations Committee is proposing and this Congress is voting each year many thousands of dollars to the Labor Department for the purpose of keeping current the matter of unemployment in this country. If you were to go to the Labor Department to-day and inquire as to the number of unemployed men and women in the United States you could get a very accurate figure, and that department has been gathering such figures for some three or four years.

Mr. BOYLAN. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. BOYLAN. During the investigation of that question by the Senate the Labor Department was called on for figures, and the figures they furnished were approximately only 50 per cent of the real number of people out of employment.

Mr. WOOD. The figures which were furnished were gathered by the Labor Department's employees all over this country, and those who disputed those figures jumped at a conclusion by reason of statements in the public press which were without any authority whatever. I have faith in the Labor Department's statistics in this regard, for it is their business to gather those statistics. If they are not doing it properly we should know that, and if their figures are not worth while we should not keep on appropriating more money for doing this job. So I say it strikes me that this only adds an additional burden and that it can be of no good use. In addition, it will entail additional expense for no good purpose whatever.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. WILLIAMSON. How would a retired farmer or a retired business man be classified under this provision?

Mr. WOOD. That would depend largely on the judgment of the enumerator. I want to say to you that the information obtained by reason of the fact that you are going to leave this thing to Tom, Dick, and Harry will not be worth the paper it is written on, while the facts that are gathered by the Labor Department, whose business it is to gather these facts, are of some real value, because that department sends out its experts for the purpose of ascertaining these facts. So I hope this amendment will prevail.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. TAYLOR of Tennessee. There are two kinds of unemployment, voluntary unemployment and involuntary unemployment, and if we are to have a census of unemployment it should be a census of enforced unemployment, ought it not?

Mr. WOOD. I agree with the gentleman. We now have 10 per cent of our entire population that will not work under any circumstances.

Mr. DICKINSON. Will the gentleman yield?

Mr. WOOD. Yes.

Mr. DICKINSON. How many of them are in the district represented by the gentleman from New York [Mr. LA GUARDIA]?

Mr. WOOD. I have not had a census taken of Brother LA GUARDIA's district.

Mr. BLACK. Mr. Chairman, I rise in opposition to the motion to strike out the last word.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. BLACK. Mr. Chairman, I can well understand that the distinguished gentleman from Tennessee and the distinguished gentleman from Indiana do not want to get any facts on unemployment. They are two of the shrewdest manipulators the Republican Party has. I can particularly understand that with respect to the gentleman from Indiana, because he is probably

the best free-for-all, catch-as-catch-can political orator in the country and he does not want to be disturbed by facts, facts furnished by the Labor Department or anybody else. He wants to make his own facts in a political campaign and he sees the danger to the Republican Party in getting an enumeration as to employment conditions. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. DICKINSON].

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 104, noes 57.

So the amendment was agreed to.

Mr. TINKHAM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. TINKHAM offers the following amendment to section 1: Page 1, line 4, strike out the word "and," and after the word "mines" insert a comma and the following: "and the number of inhabitants in each State being 21 years of age and citizens of the United States, whose right to vote at the election next preceding such census for the choice of electors for President and Vice President of the United States, representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof, has been denied or abridged except for rebellion or other crime."

Mr. RANKIN. Mr. Chairman, I make the point of order that the amendment is not germane.

The CHAIRMAN. Does the gentleman care to discuss the point of order?

Mr. RANKIN. It has been discussed before, Mr. Chairman.

The CHAIRMAN (Mr. CHINDBLOM). The Chair is ready to rule on the point of order.

We are now considering the portion of the bill which relates to the census, and for all practical purposes section 1 is a part of a census bill. That section provides for the taking of a census making enumeration for the purpose of statistical information on a number of different subjects. The original text included population, agriculture, irrigation, drainage, distribution, unemployment, radio sets, and mines, and the action of the committee has already added another item relating to the enumeration of aliens in the United States. At this point in the bill, the Chair believes the amendment to be in order, on the theory which is well known to the membership of the House that where a large number of objects are enumerated, other objects relating to the same general subject matter may be added as being germane to the text.

The Chair overrules the point of order.

Mr. TINKHAM. Mr. Chairman, it has been repeatedly stated that this bill is both a census and an apportionment bill; that it is based upon the second section of the first article of the Constitution, which requires a census every 10 years, and upon the fourteenth amendment, which requires apportionment of the membership of this House, including the mandatory part of that amendment which requires a reduction of the membership in proportion to disfranchisement.

Therefore, to be constitutional this bill must contain these three provisions: (1) To take a census of population; (2) to make the apportionment, which is provided for by devolving the duty to make the apportionment upon the Director of the Census after fixing the number of Representatives at 435; and (3) to provide, in accordance with the mandatory section of the fourteenth amendment, for the reduction of representation in proportion to disfranchisement.

If any one of these three essential provisions should be omitted from this bill, the bill is plainly unconstitutional. Should we omit the taking of population it certainly would be unconstitutional; should we omit the apportionment, it certainly would be unconstitutional; and if we should omit reduction of representation in proportion to disfranchisement, it certainly would be unconstitutional.

Therefore I am asking only that this bill be made constitutional, and I wish to say to this committee that unless the bill is made constitutional by providing that statistics shall be obtained in the ordinary and usual manner by the Bureau of the Census upon which is devolved the responsibility of obtaining such information, I wish to hear no more about constitutional enforcement in this House. [Applause.] I wish to hear no more about law enforcement in this House. I wish to hear no more about nullification in this House. [Applause.]

Mr. GREEN. Will the gentleman yield?

Mr. TINKHAM. In just a moment.

I say that if this amendment is not adopted, to provide for the carrying out of the fourteenth amendment in its full intent

and purpose, this House is a House of hypocrites, of nullifiers, and of men wholly lawless. [Laughter and applause.] This House is a House that does not believe either in the Constitution or in law. It does not believe that this body should be organized in accordance with the requirements of the Constitution. It believes that men should sit here unconstitutionally making laws. The amendment goes to the very root of government in this country, because it is the number of Members in this House that determines the number of electors who choose our President. Without following the dictates of the Constitution in this particular by adopting an amendment looking to the reduction of representation in proportion to disfranchisement by the obtaining of the necessary statistics we continue to elect our President unconstitutionally. We are a de facto Government and not a de jure Government.

I wish to say to the Members on both sides who talk, and talk incessantly, about the enforcement of laws and about following the Constitution, that it is their duty, not only as honest men, but in allegiance to the oath they take every two years to sustain and support the Constitution to adopt this amendment. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 94, noes 103.

Mr. TINKHAM. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. TINKHAM and Mr. RANKIN.

The committee again divided; and the tellers reported that there were 109 ayes and 122 noes.

So the amendment was rejected.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

After the Bankhead amendment insert the following: "In taking such census the Director of the Census shall cause to be registered the names and addresses of all persons 21 years of age and over who desire that the prohibition law be modified to permit the manufacture and sale of light wines and beer, as well as the names and addresses of all persons 21 years of age and over who are opposed to such modification of the prohibition law."

Mr. BANKHEAD. To that, Mr. Chairman, I make a point of order.

The CHAIRMAN. It is not within the province of the Chair to pass on the policy of an amendment; the only question before the Chair is whether the amendment is germane. It seems to the Chair, as a matter of enumeration and statistics, that it is germane, in view of the large number of subjects mentioned in the section, and the point of order is overruled.

Mr. SCHAFER of Wisconsin. Mr. Chairman, ladies and gentlemen, this census will be taken in order to obtain statistics which will be of value for use by the various branches of the Government. The tragic reports appearing each day in the press indicate that one of the biggest questions before the American people is that of prohibition. The adoption of this amendment will obtain first-hand statistics which will be of value to the commission appointed by the President of the United States to study crime and the law-enforcement problem, as well as to Congress and all of the American people.

This amendment should be supported not only by those who have been advocating modification of the existing prohibition law but also by the most ardent, rabid prohibitionists. [Applause.]

The prohibitionists have repeatedly told us that the American people do not desire anything but the one-half of 1 per cent provided under the Volstead Act. In defense of such statements they refer to results of elections where a multitude of issues are involved. Dry leaders in the House of Representatives even had the audacity to claim that the last presidential election indicated that the people favored the existing prohibition laws. In a referendum in the fall of 1926 the Wisconsin voters indicated that they favored a modification of the Volstead Act by an overwhelming majority.

President Hoover received a majority in Wisconsin last fall of nearly a hundred thousand. This spring the sovereign voters of Wisconsin in a referendum voted in favor of repealing the State prohibition law by a majority of over 150,000. No one can truthfully state that a congressional or presidential election, where many issues are involved, will indicate that the people favor the prohibition laws.

I call upon those who continually tell us on the floor of this House that the American people want no more than one-half of 1 per cent and are perfectly satisfied with the present prohibition law to let us get the facts under the next census.

No prohibitionist should hesitate about voting for my amendment, which would determine the facts, unless he is fearful that the majority of the people are opposed to the existing prohibition law.

I ask you to pause and reflect and support this amendment, so that the people of America can indicate their position on this very important question. [Applause.]

Mr. FENN. Mr. Chairman, I move that all debate on this amendment and all amendments thereto now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. SCHAFER of Wisconsin) there were 42 ayes and 136 noes.

So the amendment was rejected.

Mr. FISH. Mr. Chairman, I offer the following amendment. The Clerk read as follows:

Page 1, line 4, after the word "distribution," insert the words "men and women of 65 years or more who are in needy circumstances."

Mr. FENN. Mr. Chairman, I make the point of order that the equivalent of that amendment, almost the identical verbiage, has been passed upon by the House and defeated.

The CHAIRMAN. The Chair overrules the point of order. The Chair thinks that this is quite essentially different from the other amendment.

Mr. FISH. Mr. Chairman, the gentleman from California [Mr. SWING] offered an amendment somewhat the same as this amendment, to take a census of the needy aged, but it was not as specific as my amendment. Just a few minutes ago the committee struck out the unemployment census, because the Labor Department takes a monthly census of unemployment. No department of the Government takes any census of our aged poor. We are to-day the greatest industrial country in the world, yet we are the only civilized country in the world which does not look after our aged and destitute men and women. The amendment that I have offered does not cost the Government any money. It simply provides for a census of a serious condition that we all know exists. Many of us who are Members of Congress fail to realize the hardships of wage earners over 50 years of age who have been thrown out on the industrial scrap heap, because Members of Congress, politicians, business, or professional men often do their best work after they attain the age of 50 or 60 years, where maturity of judgment and ripened experience are a distinct advantage. But that is not the case of the man or woman who works in a factory and is thrown out on the scrap heap at 45 years or 50 years of age, due to the high-pressure and superefficiency methods in our industrial plants. We have become a great industrial country within the last 20 years, and people from the farms are swarming into the cities and taking part in our mass production. The age line for employment is being steadily lowered, and the wage earner of 50 is unable to keep the pace or maintain his job.

The time has come when we should cease doing the ostrich act and confront, or at least attempt to solve, this serious problem of old-age dependency and vote intelligently, at least to make a survey of the condition that we all know exists in this country. Therefore I have taken this opportunity to offer an amendment for the purposes of obtaining a census or survey of our men and women of 65 and above who are in needy circumstances. I hope the Members of the House will realize the necessity of such a census at the present time, as we can make it under the provisions of this bill at little cost, instead of coming back next year or the year after and asking for a survey at great expense to the Government. It is a condition that confronts us, and not a theory. It is a fact that we are facing, and I appeal to the Members of the House to support the amendment, which does not commit us to old-age pensions, but at least shows our willingness to find out the facts. Every nation in the world, except China, India, and the United States, has some constructive system of financial relief for their aged poor. All we offer is the wretched confines of a poorhouse for our aged and destitute men and women who have built up our great wealth and prosperity through long years of toil.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. SUMNERS of Texas. Would the gentleman indicate to what use this information probably would be put, in his judgment?

Mr. FISH. Exactly—for the purpose of framing legislation, or at least to have the facts and figures to base legislation on. No one in this House knows whether it is constitutional or not to enact a Federal old-age pension law. A dozen States already have enacted such laws, but, in order to get the facts to work on, so that a committee of this House or a committee of the

other body can work intelligently and frame constructive legislation to afford relief to the aged poor of the country, I contend we should provide for such a census in this bill.

We have a paradox in the United States, the richest country in the world, in that our wage earners are left alone, to worry and suffer the humiliations of poverty in their declining years. Millions of American men and women with families to support are actually earning wages insufficient to maintain our high American standard of living, and consequently are totally unable to save funds in order to provide security for their old age.

Mr. SUMNERS of Texas. Does the gentleman have any judgment or opinion as to whether or not such legislation would be constitutional, if enacted?

Mr. FISH. I have not. I have offered a resolution which is now pending before the Committee on Rules asking for the appointment of a committee of five by the Speaker to make a thorough investigation of the old age pension laws of European countries and of the States for the purpose of finding out whether Federal legislation is required, and to find out, primarily, whether such a law will be constitutional. But we must have sufficient information on which to base it; we must find out how many aged poor there are; and if this does no good as far as the Federal Government is concerned, at least it will help the States in framing State legislation. I am frank to say that I favor State legislation in preference to a Federal system of old age pension laws. [Applause.]

Mr. FENN. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from New York [Mr. FISH].

The question was taken; and on a division (demanded by Mr. FISH) there were—ayes 78, noes 109.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. That the period of three years beginning the 1st day of July next preceding the census provided for in section 1 of this act shall be known as the decennial census period, and the reports upon the inquiries provided for in said section shall be completed within such period: *Provided*, That the tabulation of total population by States as required for the apportionment of Representatives shall be completed within 12 months and reported by the Director of the Census to the Secretary of Commerce and by him to the President of the United States.

Mr. McLEOD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. McLEOD: Page 2, line 12, after the word "months," insert the words "after the beginning of the above-prescribed period."

Mr. RANKIN. Mr. Chairman, I rise to a point of order. The section already provides for exactly what the amendment proposes. Why encumber it with this extra verbiage? I make the point of order that it is duplication.

The CHAIRMAN. There is no rule of the House under which duplication is subject to the point of order as far as the Chair is aware. Unless the amendment violates one of the specific rules of the House, the Chair is not empowered to rule it out of order. The Chair overrules the point of order.

Mr. LOZIER. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection?

There was no objection, and the Clerk again reported the McLeod amendment.

Mr. HOCH. Mr. Chairman, may I have the attention of the gentleman from Michigan [Mr. McLEOD] for a moment? I would like to get some explanation of this amendment.

Mr. McLEOD. It is inserted for the purpose of perfecting the language.

Mr. HOCH. In what way does it perfect the language?

Mr. McLEOD. It specifies definitely the period when the decennial census starts.

Mr. HOCH. According to this section the decennial period begins on the 1st day of July, 1929.

Mr. McLEOD. Yes.

Mr. HOCH. That would mean that you would have to report a tabulation by the 1st day of July, 1930.

Mr. McLEOD. It shall be completed within 12 months, but the language is, "beginning the 1st day of July."

Mr. HOCH. That would mean that you would have to report the tabulation within two months from the time you started to take the census.

Mr. McLEOD. All I do here is to qualify when that date begins.

Mr. HOCH. When does it begin?

Mr. McLEOD. As before stated, just as the amendment reads.

Mr. HOCH. That would be the 1st of July, 1929.

Mr. McLEOD. It is all right without it, but it is perfecting language.

Mr. HOCH. The gentleman does not make it clear to me. As I understand, this language means that it must begin on the 1st of July, which will be the 1st day of July, 1929. Is that correct?

Mr. McLEOD. Yes. That is the way I read it.

Mr. HOCH. Now, you do not propose to start taking the census until May, 1930. Your amendment provides that he must report the tabulation within 12 months from the beginning of the period, and therefore you would have to make the report by the 1st of July, 1930. In other words, you would have to report the tabulation within two months after you started.

Mr. McLEOD. When would you start taking the census, according to the language now?

Mr. HOCH. I am trying to get the effect of the gentleman's amendment. Is the effect of the gentleman's amendment to require a report of the tabulation within two months after starting to take the census?

Mr. McLEOD. Yes.

Mr. HOCH. Does the gentleman think that is possible, to make a report on the population within two months after starting to take the census?

Mr. BURTNESS. Is that not the effect of the language in the bill?

Mr. HOCH. No. Under the bill the census would be started on the 1st day of November preceding. Now, you propose to start it on the 1st of May. It is impracticable to make the report of the population within two months after starting to take the census. The gentleman's proposal would make the report impossible and there could be no apportionment.

Mr. LOZIER. Mr. Chairman, will the gentleman yield?

Mr. HOCH. Yes.

Mr. LOZIER. The gentleman from Kansas is entirely right in this matter. When you change the year of taking the census you should also change the paragraph in section 2.

Mr. HOCH. I do not see how it is possible to make a report on the tabulation within two months after you start taking the census.

Mr. McLEOD. I think the gentleman is correct. I will withdraw my amendment.

Mr. HOCH. You can not cure the trouble by that action alone. This language must be changed.

Mr. BURTNESS. Mr. Chairman, will the gentleman from Kansas yield before he sits down?

Mr. HOCH. Yes.

Mr. BURTNESS. I want to call the attention of the gentleman from Michigan [Mr. McLEOD] and the attention of the gentleman from Kansas [Mr. HOCH] to the fact that the trouble is not cured by withdrawing the amendment. The vice is in the section as it stands.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to withdraw his amendment. Is there objection? There was no objection.

Mr. HOCH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kansas moves to strike out the last word. The gentleman from Kansas is recognized.

Mr. HOCH. Mr. Chairman, I hesitate, without time to consider the matter fully, to offer an amendment providing what the language should be; but I think the committee, before we pass this section, should offer an amendment to perfect this section, because we have an impossible phraseology now, and one which would defeat all apportionment.

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. HOCH. Yes.

Mr. KETCHAM. No committee changes have been from 1930 to 1929.

Mr. HOCH. But the committee has already announced its intention of changing "November" to "May," so that it will be "May, 1930."

Mr. McSWAIN. Mr. Chairman, I think the gentleman's statement is very pertinent. The committee should revert to this section after the reading of the bill.

Mr. HOCH. Mr. Chairman, I ask unanimous consent that this section may be passed over and returned to later.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to pass this section over and return to it later for the purpose indicated. Is there objection?

Mr. LOZIER. Reserving the right to object—and I shall not object—this section presents a very delicate problem, and it is going to take considerable time to rewrite section 2. For that reason I think we should pass it over for the time being.

Mr. WINGO. Mr. Chairman, I am willing that the section be passed over by unanimous consent, with the right to return for the purpose of considering a committee amendment to correct it. But I am not willing to let the section go wide open. I am willing to pass it over, but only for the purpose of curing this defect.

Mr. HOCH. I am perfectly willing to modify my request in accordance with the suggestion of the gentleman from Arkansas.

Mr. Chairman, I ask unanimous consent that this section be passed over, with permission to return to it later for the purpose of correcting the matter of the time, as set forth in line 12.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that this section may be passed over and taken up later for the purpose of considering amendments relative to the period of time referred to on page 2. Is there objection?

Mr. RANKIN. Reserving the right to object, Mr. Chairman, may I have the attention of the gentleman from Kansas [Mr. HOCH]? I think the gentleman's request is all right as modified, except that he also ought to include in it line 6, in which the word "July" is used, because in my opinion it is possibly necessary to make that "January."

Mr. HOCH. I ask unanimous consent, Mr. Chairman, to modify the request as suggested to include line 6.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. LaGUARDIA. I object. I move to strike out the last word.

The CHAIRMAN. The gentleman from New York objects and moves to strike out the last word. The gentleman from New York is recognized.

Mr. LaGUARDIA. Mr. Chairman, I want to call the attention of the House to something that is not controversial. If we go to the next section I think the temper of the House will be such as to appreciate what I want to say.

Just 10 years ago to-day, on June 4, 1919, the United States Senate, by a vote of 56 to 25, a quorum being present and two-thirds of the Senators having voted in the affirmative, passed the resolution calling for a constitutional amendment providing for equal suffrage to women to be ratified by three-fourths of the States. [Applause.]

The same resolution previously passed the House of Representatives on May 21, 1919, by a vote of 304 to 90.

The question of woman suffrage had been at issue for many years. The first resolution, known as the "Susan B. Anthony amendment," was introduced in the United States Senate by Senator Sargent, of California, in January of 1878. It was voted on in the Senate four times. In 1887 the vote was 17 yeas and 34 nays; in 1914 it failed by 11 votes; in 1918 it failed by 2 votes; in February, 1919, it failed again by 1 vote. In the House of Representatives it was voted on in 1915 for the first time, failing by 78 of the necessary two-thirds vote. On January 10, 1918, it passed the House of Representatives by 1 vote over the necessary two-thirds majority. The speaker takes peculiar pride in this vote of the House of Representatives. At that time he was in the Army and in service overseas. He cabled his pair to Speaker Champ Clark of the House of Representatives, thus taking away one active, live opposition vote and thereby contributing one-half to the one vote which passed the resolution for the first time in the House.

At the time that Congress passed the resolution women enjoyed equal and full franchise privileges in 28 States of the Union. The first State to grant women full and equal suffrage was Wyoming, as early as 1869. It was followed by Colorado in 1893. The last State which granted woman suffrage prior to the ratification of the constitutional amendment was Missouri, in 1919. The foreign countries which accorded full suffrage to women prior to the time this privilege was granted to all women of the United States were the Isle of Man, New Zealand, Australia, Finland, Norway, Iceland, Denmark, Russia, Canada, Austria, Czechoslovakia, England, Germany, Hungary, Ireland, Poland, Scotland, Wales, Holland, and Sweden.

The nineteenth amendment of the Constitution of the United States, which enfranchised women throughout the Union, though of far-reaching effect, is very short and simple in its language. It reads:

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

Congress shall have power to enforce this article by appropriate legislation.

It followed practically the wording of the original amendment drafted by Susan B. Anthony in 1875, which read:

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

After the resolution had been passed by Congress it quickly received the necessary approval of the required three-fourths of the States. The first State to ratify the amendment was Illinois on June 10, 1919, just six days after its passage by Congress. The required thirty-sixth State was Tennessee on August 24, 1920. The remarkable fight put up by the great suffrage leaders of the country in the State of Tennessee is still fresh in the memory of all those who took part in the many years of struggle to grant equal rights to the women of America. The amendment, duly ratified, became part of the Constitution of the United States by proclamation of the Secretary of State on August 26, 1920, just two days after it had been ratified by the thirty-sixth State. Thereafter it was ratified by the States of Connecticut, September 14, 1920, and Vermont on February 8, 1921, making a total of 38 States which affirmatively approved of the constitutional amendment. The States of Alabama, Virginia, and Maryland rejected the amendment. This left seven States, all of which did not take any action primarily by reason that their legislatures were not in session and the amendment having been duly ratified action later was no longer necessary. These seven States were all in favor of the amendment.

It can safely be said that no amendment added to the Constitution since its adoption was of more far-reaching and beneficial effect. No good, wholesome reason could ever be presented to justify denying, in a republic and a representative government, the vote to the women. [Applause.] The wonder is that it took so many years to bring it about. The intelligent participation of women in American politics during the 10 years of universal suffrage is the complete answer to every criticism and opposition raised against the proposition. The vote of the women throughout the country has had a great tendency to cleanse politics. [Applause.] Their vote is a great deal responsible for abolishing the old-type political boss. The women have shown a greater degree of independence than the men. Many of the old-style tactics practiced in several States have been abandoned since the doors of the polls were opened to women.

Better labor laws, school facilities, welfare measures, health, and home legislation naturally attract the woman voter, and it is safe to say that in the States where women had the vote the most progressive legislation on these subjects was enacted. Since women have had the vote throughout the country measures of these characters have found a place in the platform of all political parties.

Let us pause to pay tribute to Susan B. Anthony and Lucretia Mott, and with them the courageous and faithful pioneers of 1875 and their equally courageous, effective, and efficient successors who fought the battle and won. [Applause.]

We all recall the first woman who graced this House, the efficient, progressive, able gentlewoman from Montana, Jeanette Rankin. She was followed by the gentlewoman from Oklahoma, Alice Robertson. Then came the gentlewoman from California, who replaced her splendid and fine husband, James Nolan. I refer to Mrs. May Nolan, from California. We now have gracing this House and contributing to the making of legislation and to the thought of the country our able colleagues, every one of them a credit not only to her sex but to her State and country, the gentlewoman from Massachusetts, Mrs. EDITH NOURSE ROGERS; Mrs. CATHERINE LANGLEY, of Kentucky; Mrs. MARY NORTON, of New Jersey; Mrs. FLORENCE KAHN, of California; Mrs. PEARL P. OLDFIELD, of Arkansas; Mrs. RUTH HANNA McCORMICK, of Illinois; Mrs. RUTH BRYAN OWEN, of Florida; and Mrs. RUTH PRATT, of New York. By the example that they have given, by the splendid work that they perform, and by the great public service which they render they have created the hope that we will have many more such gentlewomen in the House in the future. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

Mr. HOCH. Mr. Chairman, I offer an amendment. On page 2, line 12, strike out the word "twelve" and insert the word "eighteen." I will say I do that for this reason: The date fixed in the bill for the taking of the census was the 1st of November. You now propose to move the date ahead six months, from November 1 to May 1, so, in order to cure that, I have simply added 6 months to the 12 months.

Mr. CHALMERS. Will the gentleman yield?

Mr. HOCH. Yes.

Mr. CHALMERS. If the gentleman will change the word "July," in line 6, to "January," he will accomplish the same purpose.

Mr. HOCH. I assumed the committee had some reason for fixing the 1st of July.

Mr. FENN. This date was not fixed by the House committee but by another body.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOCH: Page 2, line 12, strike out the word "twelve" and insert the word "eighteen."

Mr. HOCH. Mr. Chairman, if the committee desires to change the 1st of July to the 1st of January, then that would accomplish the same thing, but I assumed the committee was in favor of the 1st of July. If the committee desires the 1st of January that would cure this defect, as I see it, and would amount to the same thing. I am simply trying to make this section workable.

Mr. LOZIER. Will the gentleman yield?

Mr. HOCH. Yes.

Mr. LOZIER. My attitude toward this bill is well known. I favor some parts of it and oppose certain of its provisions, but if this legislation is enacted certainly it ought to be in a workable form. Now, you are considering a proposition involved in section 2 that is correlated with and tied to another section and another date in a subsequent portion of this bill, and if we pass this bill it ought to be in a workable form and its provisions should be consistent and in harmony with each other. I call the attention of the membership of the House to the provision in section 22 and to the date when the certificate required by said section 22 must be sent to Congress. You are going to get your dates tangled and incorporate in this bill impossible or at least conflicting or contradictory dates.

Now, if you are not careful you are going to tangle up this situation and get a number of irreconcilable provisions. For this reason I think this section should be passed for the present, and I hope the gentleman from Kansas will renew his request to postpone consideration of this section for the present. Having as a member of the Census Committee given this matter a great deal of consideration, I trust there will be no objection to the request of the gentleman from Kansas that this matter may be passed for the present.

Mr. HOCH. Mr. Chairman, I ask unanimous consent to withdraw my amendment and renew my previous request.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to withdraw the amendment he offered a moment ago. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that section 2 may be passed for further consideration later during the consideration of the bill in the Committee of the Whole with reference to the periods of time fixed therein. Is there objection?

There was no objection.

The Clerk read as follows:

Sec. 3. That there may be employed in the Bureau of the Census, in addition to the force provided for by the appropriation act for the fiscal year immediately preceding the decennial census period, two assistant directors, one of whom shall act as executive assistant to the director, performing, in addition, the duties usually assigned to the chief clerk, and the other, who must be a person of known and tried experience in statistical work, as technical and statistical advisor; these officials to be appointed by the Secretary of Commerce, upon the recommendation of the Director of the Census, in conformity with the civil service laws and rules.

In addition to the force hereinbefore provided for, there may be appointed by the Director of the Census, without regard to the provisions of the classification act, for any period not extending beyond the decennial census period, at rates of compensation to be fixed by him, but not exceeding the compensation received by other civil-service employees engaged in like or comparable service, as many temporary employees in the District of Columbia as may be necessary to meet the requirements of the work: *Provided*, That census employees who may be transferred to any such temporary positions shall not lose their permanent civil-service status by reason of such transfer: *Provided further*, That hereafter in making appointments to clerical and other positions in the executive branch of the Government in the District of Columbia or elsewhere preference shall be given to honorably discharged soldiers, sailors, and marines, and widows of such, and to the wives of injured soldiers, sailors, and marines, who themselves are not qualified, but whose wives are qualified, to hold such positions: *Provided further*, That all such temporary appointments shall be made in conformity with the civil service laws and rules: *Provided further*, That in the selection of the force necessary to the taking of the census, preference shall be given to American citizens and/or ex-service men and women.

That special agents, supervisors, supervisors' clerks, enumerators, and interpreters may be appointed by the Director of the Census to carry out the provisions of this act and of the act to provide for a permanent Census Office, approved March 6, 1902, and acts amendatory thereof or supplemental thereto, such appointments to be made subject to the civil service laws but without regard to the classification act of 1923, as amended, and without giving the appointees under this provision a status for transfer to other positions, and direct preference shall be given to the disabled veterans of wars in which the United States has been engaged. The Director of the Census may delegate to the supervisors authority to appoint enumerators. The enlisted men and officers of the Army, Navy, and Marine Corps may be appointed and compensated for the enumeration of Army, Navy, Marine, and other military posts. Employees of the Department of Commerce and other departments and independent offices of the Government may, with the consent of the head of the respective department or office, be employed and compensated for field work in connection with the Fifteenth Decennial Census, but, when so employed, shall not be paid in the aggregate greater compensation than they would receive for service in the positions held by them. The special agents, supervisors, supervisors' clerks, enumerators, and interpreters thus appointed shall receive compensation at rates to be fixed by the Director of the Census: *Provided*, That special agents appointed at a per diem rate shall not be paid in excess of \$8 per diem except as hereinafter provided; and that the compensation on a piece-price basis may be fixed without limitation as to the amount earned per diem: *Provided further*, That during the decennial census period the Director of the Census may fix the compensation of not to exceed 25 special agents at an amount not to exceed \$12 per diem: *Provided further*, That permanent employees of the Census Office and special agents may be detailed, when necessary, to act as supervisors or enumerators, such permanent employees and special agents to have like authority with and perform the same duties as the supervisors or enumerators in respect to the subjects committed to them under this act.

Mr. FENN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FENN: Page 3, lines 5, 6, and 7, after the word "him," strike out "but not exceeding the compensation received by other civil-service employees engaged in like or comparable service."

Mr. FENN. Mr. Chairman, this amendment authorizes the Census Bureau in its employment to pay added compensation to men in the service connected with the Indian agents, Forest Service, Bureau of Fisheries, Army officers or men in camps, superintendents of public parks, rural mail carriers, and other Federal employees who are familiar with local conditions. They feel it would be absolutely impossible to get these men to serve unless they did receive some additional compensation, and it seems to me, as well as to the bureau, that they should be allowed to receive compensation for the work they do, and I trust the amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

Mr. LEHLBACH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New Jersey offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LEHLBACH: On page 4, lines 7 to 12, inclusive, strike out the words "subject to the civil service laws but without regard to the classification act of 1923, as amended, and without giving the appointees under this provision a status for transfer to other positions, and direct preference shall be given to the disabled veterans of wars in which the United States has been engaged," and insert in lieu thereof "without reference to the civil service or the classification acts."

Mr. LEHLBACH. Mr. Chairman, the effect of this amendment is to restore to the bill the language it contained when it passed this House in the last Congress and the language it contained when it was reported by the committee in the Senate.

The language to be stricken out is language inserted by way of amendment in the Senate and the language which I move to restore is the language that had been carried in the bill up to the time of such amendment.

Mr. GREEN. That eliminates the civil-service feature, does it not?

Mr. LEHLBACH. It simply eliminates in the appointment of the temporary field forces, a large number of whom are the enumerators, any civil-service provision or qualification.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. What is the objection to applying the civil-service requirement?

Mr. LEHLBACH. The objection is this. I think this House is aware of the fact that for the 10 years I have been chairman of the Committee on the Civil Service, I have been a consistent supporter of the merit system and the civil-service system; that I and my committee have been diligent in seeking the development and the maintenance of an intelligent employment policy by the Government, but it is absolutely unworkable and impracticable to apply the civil-service system to 95,000 positions that are to be filled and function in a specific manner for two weeks. I am a believer in civil service, but I am not a fool. [Applause.]

Mr. BACHMANN. Will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. BACHMANN. Will the gentleman's amendment cure the first proviso which says that all such temporary appointments shall be made in conformity with the civil service laws and rules?

Mr. LEHLBACH. It is not intended to touch that at all. Those are appointments to be made here in the Department of Commerce, in the Bureau of the Census, and those people are to function for three years under such appointment and they ought to be under the civil service, but the field force ought not to be under the civil service.

Mr. FISH. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. FISH. I am in entire sympathy, so far as the elimination of civil service is concerned, but why does the gentleman strike out the language "and direct preference shall be given to the disabled veterans of wars in which the United States has been engaged"?

Mr. LEHLBACH. Because that is already in the law and was only put in the Senate amendment for good measure. It is not only the law but it has been specifically strengthened by recent Executive order, as the gentleman well knows. This language serves no useful purpose here. I was discussing it with the Civil Service Commission and nobody knows, not even its introducer, what the word "direct" means in saying that direct preference shall be given to the disabled veterans when everybody knows they have preference now.

Mr. FISH. That is only with respect to the civil service.

Mr. LEHLBACH. No; it is not. It is with respect to any civilian position whether it is in the classified service or not.

Mr. FISH. Well, it is not carried out.

Mr. O'CONNOR of New York. Are these positions going to come under that provision of law?

Mr. LEHLBACH. Certainly. [Applause.]

Mr. GREEN. Mr. Chairman, I rise in opposition to the amendment.

If I understand the amendment it means that the various enumerators and all employees engaged in the work will be appointed by the Republicans without examination, and possibly with no peculiar fitness for the office.

I am sure a number of my colleagues on this side are receiving letters every day just as I am asking them to indorse persons for these appointments. I am sure the gentlemen on the other side of the aisle are receiving similar letters. If this work is placed under the civil service then employees who merit employment and who are able to perform their duties, may be selected.

Mr. DICKINSON. Will the gentleman yield?

Mr. GREEN. I yield.

Mr. DICKINSON. How many of these enumerators will want to take a civil-service examination and bother with it for two weeks' employment?

Mr. GREEN. Doubtless some of them will not want to take an examination. I do not think they would want to take an examination, because they could receive appointments without it and that is just the meat of the nut. If the Republicans make all the appointments and examinations are not held, no Democrats get a position. My Democratic constituents are capable and qualified to do this work and I want them to share in it. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. LEHLBACH].

The amendment was agreed to.

Mr. THURSTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 4, lines 22, 23, and 24, strike out the following: "but when so employed shall not be paid in the aggregate greater compensation than they would receive for service in the position held by them" and insert in lieu thereof the following: "and when so employed shall not be subject to the provisions of section 1765 of the Revised Statutes or to the act of May 10, 1916, and August 29, 1916, Thirty-ninth Statute, page 120, section 6, and page 580, section 6."

Mr. THURSTON. Mr. Chairman, this amendment is offered at the suggestion of the committee. The sections of the bill passed last year carried this same provision. The reason for it is this: In the island possessions, Guam, the Virgin Islands, Samoa, and other outlying portions of the country, in Alaska the officials in the Census Bureau report that they are unable to obtain civilian employees in the Territory mentioned, and are required to appoint persons in the military or naval service. The Revised Statutes contains a prohibition against the employment of persons in the Army and Navy—in the Naval Reserves and National Guard. This amendment would clarify the situation so that in the discretion of the Director of the Census persons in the Army and Navy, the Organized Reserves, and the National Guard might be employed in this respect. This was the same provision contained in the bill as it passed the House at the last session.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

Mr. LUCE. Mr. Chairman, I offer the following amendment. The Clerk read as follows:

Amendment offered by Mr. LUCE: Page 3, beginning with line 22, strike out the proviso to the end of line 25.

Mr. LUCE. Mr. Chairman, I take it that this is an illustration of what sometimes happens when amendments are inserted from the floor in any legislative body without having been considered by a committee. On page 4, beginning with line 12, down to line 13, the proviso beginning "Provided further, That hereafter" is an exact quotation from existing law, as it may be found in the Code, title 5, section 35. Why under the sun there should be any necessity for repeating existing law I can not see. You will notice in the existing law preference is to be given "to honorably discharged soldiers, sailors, and marines, and widows of such, and to the wives of injured soldiers, sailors, and marines, who themselves are not qualified but whose wives are qualified, to hold such positions." You will notice that the last proviso on the page says that preference shall be given to "ex-service men and women," saying nothing about widows or the wives of disabled veterans. How these differing phrases are going to be reconciled I can not understand. Inasmuch as the proviso set forth in lines 13 to 20 is existing law, I have as to its substance no occasion for opposing its repetition here, but inasmuch as the existing law seems already to handle the matter of preference adequately, and the last proviso on the page is both superfluous and confusing, it strikes me as prudent for it to be omitted.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Certainly.

Mr. DAVIS. Is it not a fact that the provision to which the gentleman refers as being in the present law has reference only to those in the classified civil service, and as these employees are not to be of that service, in order to give them that preference is it not necessary?

Mr. LUCE. I had so understood it. I may be in error, but my study of the situation did not disclose that to be the fact.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was agreed to.

Mr. LUCE. Mr. Chairman, I move to strike out the language in the proviso beginning in line 12 and down to line 20.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LUCE: Page 3, beginning in line 12, strike out the proviso, ending in line 20.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. JOHNSON of Washington) there were—ayes 114, noes 14.

So the amendment was agreed to.

Mr. FISH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 4, at the end of the amendment offered by Mr. LEHLBACH, add: "but preference shall be given to disabled veterans of wars in which the United States has been engaged and wives of disabled soldiers, sailors, and marines who themselves are not qualified, but whose wives are qualified for appointment."

Mr. FISH. Mr. Chairman, the purpose of my amendment is to take care of the disabled service men or their wives in case the disabled soldiers are not able to qualify for these appointments themselves. We have done everything that the Government has been called upon to do in the way of compensation,

hospitalization, and rehabilitation for the veterans, but we have been derelict in providing jobs for the disabled soldiers of all our wars. We have a very low percentage of disabled veterans employed in the Government service, the reason being that no one heretofore has made any special effort to amend the civil service laws or to provide in laws of this kind that preference shall be given to the disabled. The situation is this: A man without a leg who gets \$40 from the Government to support himself and his family we will say goes to Henry Ford and asks for a job. Mr. Ford or his representative tells the disabled veteran—

We have the utmost sympathy for you, and if you had been injured in our service we would take care of you, but the Government should provide a job for you.

If a disabled veteran without an arm goes to the General Electric Co. and asks for a job he is told the same sad story. The result is that those people who have been badly injured, who have lost a leg or an arm, or who have been otherwise seriously injured in the war, find that they can not compete with the able-bodied, and on the other hand they are not provided with jobs either by the Government or by private industry.

Mr. WOOD. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. WOOD. Is not the very language the gentleman is proposing here in the main the language the gentleman from Massachusetts moves to strike out?

Mr. FISH. No; that refers to the able-bodied. This is an entirely different proposition.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. FISH. If I can get more time. I have some information that I would like to present at this time. I was chairman of the President's advisory committee on veterans' preference, and believe that now, 10 years after the armistice, we have an opportunity to keep faith with our disabled veterans by granting them preference in this bill. I yield.

Mr. SIMMONS. As I listened to the reading of the amendment it provided that disabled veterans of the wars in which the United States has been engaged shall be given a preference. That would give a preference to a disabled veteran of the German Army.

Mr. FISH. Oh, no; that is the customary language. Of course, this is only for American citizens. That has already been provided for. I am willing to accept any amendment in order to clarify the purpose of my amendment.

The situation is this: If you go down to the National Museum here in Washington you will find two or three disabled veterans employed out of some 200 guards. If you go to the Museum of the Louvre, in Paris, you will find 95 per cent of the employees there are disabled soldiers of France. The same thing applies to every government building throughout Germany, England, Belgium, Italy, and France. We have a very small percentage of disabled men in the Government service here. We have an opportunity now to give preference to the disabled soldiers under this bill so that the enumerators and others, when you come to appoint them, may be appointed from that class. If you believe in giving preference to the disabled, vote for this amendment, and if you do not believe in the promises and pledges we gave before and during the war, then you should vote it down. The fact is, and it can not be denied, that we have not fulfilled our pledges toward the disabled, we have not until the Executive order of March 2, 1929, provided actual preference for civil-service positions in the Government service. Under the civil-service ruling of March 2 the disabled are put at the head of the preference list. Certainly we ought to afford them or their wives preference, although not under civil service, as far as selecting enumerators is concerned.

Mr. FITZGERALD. All we care to know is where is the distinction between this language and the language that is stricken out? Is not this covered by the law?

Mr. FISH. No.

Mr. FITZGERALD. If it is not covered by the law, we are ready to vote.

Mr. FISH. It is not covered by the law at all. The other provision applied to the able-bodied. Twenty-five per cent of all jobs under the civil service in the United States are held to-day by the able-bodied veterans. I am talking about the disabled veterans and hope my amendment will prevail, as it will benefit those who most need our help and will be a further step in carrying out the promises and pledges of the American people.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I move to strike out the last word, in order to direct a question to the gentleman who has just left the floor, Mr. FISH. If the language embodied in his amendment is adopted, will it then be

possible for a veteran whose only disability is the result of his own misconduct to obtain a preference? Does the gentleman's amendment go so far as to include disabilities of all kinds? If a man was wounded in "the Battle of Paris" or some of those places around the camps, due to his own misconduct, would this amendment give him a preference?

Mr. FISH. It implies war origin only under the construction of the word "disability" as used by the Veterans' Bureau.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. Fish].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. BOYLAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BOYLAN: Page 5, line 3, after the word "of," strike out the sign and figure "\$8" and insert in lieu thereof the sign and figures "\$12."

Mr. BOYLAN. Mr. Chairman and ladies and gentlemen of the House, after striking out the civil-service qualification for enumerators, and now that the boys are going to get a little bit of "pork," we ought to give them something worth while.

The skilled laborers in the large cities are now compensated at the rate of \$12 a day. If you are going to put the census enumerator in at \$8 you would pay him less than you would pay a skilled laborer. Surely you are not going to ask the boys to work for \$8 per day when a laborer is getting \$12 per day; and I think in all fairness to those who are put on the pay roll we ought to say that the Congress at least stands for a living wage, because in these days of high tariff, where you only add \$500,000,000 annually to the household budget of the country, we ought to pay proper compensation to Government employees.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN. Certainly.

Mr. BLACK of New York. Do you not think you ought to give them a pension?

Mr. BOYLAN. That will be a subject for later consideration.

I have always held that it is really a mistake the way we treat our Federal employees. We have men and women here working in the city of Washington and in other cities for ridiculously small wages, wages that are away out of line with those paid to employees in private business. So when we are starting off, especially in this era of unemployment, let the Government show that it at least will set an example to the employers of this country and pay a living wage.

Mr. COLE. Mr. Chairman, will the gentleman yield there?

Mr. BOYLAN. Certainly.

Mr. COLE. This would not apply to enumerators. It would apply only to special agents.

Mr. BOYLAN. Well, if I said "enumerators" I meant special agents. The special agent should get more than \$12. [Laughter.] But if the gentleman wants to compensate them at \$4 or \$6 or \$8, that is not an adequate or proper compensation for the high order of intelligence needed for those who take the census of the inhabitants of this country. I hope gentlemen will vote for this meritorious amendment, which provides for a living wage. [Applause.]

Mr. LOZIER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. LOZIER. Mr. Chairman, I have taken the floor to say something which I think ought to be said. For a number of years I have been a member of the Committee on the Census, and I have had an opportunity of coming into contact with the Bureau of the Census, particularly with Doctor Steuart, the director, and Doctor Hill, the assistant director, and their associates. I have a profound respect for the Bureau of the Census and for the men who are at the head of that important governmental agency.

My contact with the Bureau of the Census has convinced me that it is one of the most efficient bureaus and governmental activities that we have. I do not recall that there has ever been a scandal connected with the management of the Bureau of the Census. Beginning with the Ninth Census in 1870, when that great man, Francis A. Walker, was the Director or Superintendent of the Census, and coming down to the present, to the director, Doctor Steuart, the business of that bureau has been conducted along nonpartisan, nonpolitical, and business lines, and it has made a very creditable record for efficiency. It gives me pleasure from my contact with the Census Bureau to certify to its efficiency under the present management of Doctor Steuart, Doctor Hill, and their associates. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. BOYLAN].

The question was taken; and the Chairman announced that the yeas appeared to have it.

Mr. BOYLAN. Mr. Chairman, I ask for a division.

The CHAIRMAN. The gentleman from New York asks for a division.

The committee divided; and there were—ayes 16, noes 110.

So the amendment was rejected.

Mr. SPROUL of Kansas. Mr. Chairman, I rise to a question of information.

The CHAIRMAN. The gentleman from Kansas moves to strike out the last word.

Mr. SPROUL of Kansas. Mr. Chairman, I would like to inquire whether all following the proviso, in line 22, page 3, has been stricken out?

The CHAIRMAN. The Chair is under the impression it has been stricken out.

Mr. BOYLAN. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BOYLAN: On page 5, in line 9, after the word "exceed," strike out the sign and figures "\$12" and insert in lieu thereof the sign and figures "\$15."

Mr. BOYLAN. Mr. Chairman, I am not going to keep the House any longer than to say that the \$3 extra per day applies to 25 special agents. You men say you want to help the disabled soldier and his widow, and yet you want to pay them a petty-larceny wage. If you are going to help them, help them in a good and liberal manner; do not pay them a miserable pittance, on which they can not properly exist.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. BOYLAN) there were—ayes 15, noes 112.

So the amendment was rejected.

Mr. FENN. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

Mr. McLEOD. Mr. Chairman, I ask unanimous consent to return to section 2 for the purpose of inserting perfecting amendments.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to return to section 2 for the purpose of considering it under the unanimous-consent agreement made a little while ago. Is there objection?

Mr. MAPES. Mr. Chairman, reserving the right to object, let me ask my colleague if he does not think it would be well to wait until after we have disposed of section 6.

Mr. McLEOD. I do not, for the reason that we can not dispose of section 6 with the same information that we might have if these amendments are adopted.

Mr. RANKIN. Mr. Chairman, reserving the right to object, I am going to ask the gentleman from Michigan to withhold that for the time being. The chances are we will not finish the bill to-night, and if we do not, I would like to carry this amendment over until to-morrow, as several gentlemen want to investigate it. I have had no opportunity to consult the other members of the committee on this side.

Mr. McLEOD. The only reason we are going back to it at this time is because we could not properly consider section 6 without knowing what section 2 will be. Therefore you could not act on section 6 intelligently.

The CHAIRMAN. All of this is by unanimous consent.

Mr. LaGUARDIA. Mr. Chairman, there was an agreement made to return to this section. Unanimous consent was granted by the committee to pass this section for the purpose of giving the committee an opportunity to prepare perfecting amendments, so that unanimous consent is not necessary to return to that section.

Mr. RANKIN. Unanimous consent is certainly necessary in order to return to it.

Mr. LaGUARDIA. Not at all, because that consent has already been granted by the committee.

The CHAIRMAN. The Chair will state that there was no time fixed for returning to the section, and under ordinary practice the Chair thinks the gentleman who is acting in control of the bill under the rule, as if the committee had been organized and he were chairman of it, the gentleman from Connecticut [Mr. FENN] would be entitled to recognition to move to return to the section.

Mr. RANKIN. Do I understand the gentleman from Connecticut is asking to return to this section?

The CHAIRMAN. If the gentleman from Connecticut now asks to return to that section, the Chair is of the opinion that the gentleman from Connecticut is within his rights under the agreement heretofore made.

Mr. FENN. Mr. Chairman, the gentleman from Connecticut makes that request.

Mr. RANKIN. Mr. Chairman, reserving the right to object, let me say to the gentleman from Connecticut that I have had no opportunity to discuss this proposition with other members of the committee on this side.

Mr. FENN. I must insist.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FENN—

The CHAIRMAN. The Chair is mistaken. The amendment is offered by the gentleman from Michigan in behalf of the gentleman from Connecticut.

The Clerk read as follows:

Amendment offered by Mr. McLEOD: On page 2, strike out line 6 and all of line 7 through the word "act," and insert in lieu thereof the following: "1st day of January in the year 1930, and every tenth year thereafter."

Mr. MAPES. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Michigan [Mr. McLEOD], who offered the amendment, desire to be heard?

Mr. McLEOD. No, Mr. Chairman. I believe the amendment is self-explanatory.

Mr. MAPES. Mr. Chairman, I desire to oppose the amendment. I would like to call to the attention of the friends of this measure, and particularly the friends of reapportionment, what the change in dates proposed in this amendment, and in the amendment offered by the gentleman from Mississippi [Mr. RANKIN], and the amendment which is proposed to be offered later, changing the time of taking the census from November 1 to May 1, is going to do to this bill, and particularly to the reapportionment feature of the bill.

It seems to me that the time has come when the friends of this measure, when the friends of reapportionment, should get together and see that the bill is not torn to pieces here on the floor of the House and made unworkable largely because of the peculiar set up of the organization of the House and the fact that it has not been possible to have the legislation considered in committee.

The Director of the Census, in his testimony before the Senate committee, very strongly urged that the enumeration be started on November 1, 1929. The Secretary of Commerce urged that date. The present President of the United States, when he was Secretary of Commerce, urged that date. They all say that people are more at home at that time of the year than at any other time, that it is easier and more convenient to find the people at home, and that their experience teaches them that November 1 is the best date in the year on which to start the enumeration.

The gentleman from Virginia, I understand, made a constitutional argument against the date, because 10 years had not elapsed since the taking of the last census, but the Constitution does not say that 10 years must elapse between the taking of the censuses, but says that the enumeration shall be made "within every subsequent term of 10 years," and, certainly, November 1, 1929, is within 10 years from the date when the last census was taken.

This whole matter was gone into before the Senate committee and on the floor of the Senate, and the Director of the Census, as I said, testified very strongly in favor of this date of November 1.

Referring particularly to the reapportionment feature of the bill, I wish the friends of the legislation would turn to the last section of the bill. They will find there that the President is required to make a report of the census to the Congress at the short session which convenes in December, 1930, and he must do it within the first week of the convening of that session or the reapportionment goes over for another 10 years, and in that connection I call your attention to the testimony of the Director of the Census before the Senate committee that if this date is put over to May 1 it is more than likely it will be impossible for the Bureau of the Census to complete the enumeration in time to enable the President to make such report within the time required. It will be quite likely that the President of the United States will not be able to comply with that provision of the law, and therefore there will be no reapportionment under the next census, as there has been none under this census.

What does the Director of the Census say? Here is what he said in testifying before the Senate committee:

We have considered the entire country, and have considered all the seasons, and we think that in this country most of the people are at their usual place of abode in the fall season, and we think November 1 is about the best day on which we could find the largest number of people at their usual place of abode, and the enumerators would have less occasion to assign people to some other places than they are found.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MAPES. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MAPES. Then the director was asked:

What is the objection to the 1st of May?

Mr. STEUART. I do not believe, sir, that you will find as many people at their usual places of abode on the 1st of May as you will on the 1st of November. * * *

Then he comes to the reapportionment feature:

And then, the reapportionment law requires the Census Bureau to certify this population to Congress at the opening of the second session of the Seventy-first Congress, and I doubt very much * * *

The Director of the Census, of whom the gentleman from Missouri [Mr. LOZIER] very justly has spoken so highly, says:

And I doubt very much whether we could get those figures in shape for Congress by December 1 if the census was not taken until May 1—

And so on.

Now, gentlemen, friends of this measure, do not let the men who want to defeat this bill, do not let the men who want to defeat reapportionment, put in these amendments which are going to make the bill unworkable and which are going to defeat the very purpose of the bill. I call upon you to keep in mind what the effect of this amendment is. This particular amendment I know is offered in good faith, but these other amendments are offered to destroy the bill, and if we are going to put them on as the opponents of this legislation ask us to put them on, we might as well defeat the legislation, and I believe the thing for us to do now is to defeat all of these amendments that are proposed for the purpose of changing dates, and then when the committee rises have a separate vote on the Rankin amendment which has changed the date from 1929 to 1930, vote the others down in committee and vote that one down when we get into the House and let the dates stay in the bill as the bill passed the Senate and keep the bill in shape where the Director of the Census and others who have practical information about it say it will work. [Applause.]

Mr. RANKIN. Mr. Chairman, we certainly have a new Daniel come to judgment in the person of the gentleman from Michigan [Mr. MAPES]. I have been on the committee with these other gentlemen a long time, and while we have not agreed on everything, it has never occurred to me to be as suspicious of them, even though they are Republicans, as the gentleman from Michigan seems to be from his statement just made in the well.

Mr. MAPES. Will the gentleman yield?

Mr. RANKIN. I believe I will.

Mr. MAPES. I am not suspicious of gentlemen on this side.

Mr. RANKIN. The gentleman from Michigan ought to have known that this amendment was satisfactory to every member of the committee on his side of the House.

Mr. MAPES. Will the gentleman yield again?

Mr. RANKIN. I yield.

Mr. MAPES. Just because the gentleman from Michigan does not agree with the gentleman from Mississippi, it does not follow that he is imputing improper motives to the gentleman from Mississippi or to anybody.

The gentleman from Michigan, as a matter of fact, has a very high regard for the gentleman from Mississippi, a high regard for his ability, his courage, and his aggressiveness, and he does not want the House to be captivated by the gentleman without having a clear idea of where he is leading it.

Mr. RANKIN. I would like to yield to the gentleman time enough for him to correct everything else he said. [Laughter.] Especially about his own colleagues.

Now, this matter was very thoroughly considered by the Committee on the Census. There was no division over it. We had Mr. Steuart there, and every Democrat and every Republican on the committee agreed on this date for taking the census. I know the gentleman from Michigan does not mean any harm, but his speech was so tempered that it is likely to mislead the House.

This amendment will not affect reapportionment. We have never taken a census as early as May, except in 1910 and 1920. This will not affect reapportionment. Do not get scared; you have over a hundred majority. The committee came to the conclusion that this was the proper date, and under the Constitution it was our duty to make it 1930.

Mr. DENISON. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. DENISON. Did not the Director of the Census say that it would be impossible to get the figures ready by the 1st of December if the census was taken in May?

Mr. RANKIN. The Director of the Census made no such statement before the House committee. He came before the House committee and approved of the date of May, 1930, and it is right here in the hearings.

Mr. DENISON. I thought the gentleman from Michigan read a statement by the Director of the Census that it would be impossible to get the figures ready by the 1st of December.

Mr. RANKIN. That was a statement before the Senate committee. Before the House committee no such statement was made.

Mr. GARBER of Oklahoma. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. GARBER of Oklahoma. Was there any evidence before the committee in opposition to the date of May, 1930?

Mr. RANKIN. No; not by the Director of the Census.

Mr. McLEOD. Mr. Chairman, my colleague [Mr. MAPES] who is in my opinion one of the outstanding parliamentarians of the House and for whom I have great respect is in error as to my reason for offering these amendments. I want to explain the reason that these amendments were offered. In the event that the date of 1929 is not accepted by the House when that vote is taken and if 1930 finally stands in the bill, these amendments must be in because reapportionment under this bill would again be absolutely dead, at least for the present. These amendments were drawn by Mr. Beaman, the legislative drafting counsel, and if the date of 1929 stands, then they are necessary and the language is proper. These amendments will be withdrawn if the date is changed from 1930 to 1929.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. To those in favor of the reapportionment plan the position taken by the gentleman from Michigan is vital to this bill. If you are going to insist upon May 1, 1930, as the date of taking the census it is vital to reapportionment. The purpose of the gentleman from Michigan is that when the bill gets back to the House he will demand a separate vote on the Rankin amendment, fixing the date for taking the census on May 1, 1930.

It goes without argument that if you are going to provide May 1, as the census enumeration date, you would not have the time to compile those figures before the assembling date of the Congress following in December. Let us be reasonable about this, even though the Democrats have succeeded temporarily in having the date fixed as May 1, 1930. The matter of reapportionment is the main feature of this bill. I have gone through fights on this floor where it has been attempted to increase the membership of the House from 435 to 460, and as the years go on, without this reapportionment plan, there will be attempts to increase it further to 525 and 625, if every State is going to be recognized that happens to fall a little short in the population. The House is unwieldy enough now with 435 Members. Let us stick to a practical proposition, as the gentleman from Michigan [Mr. MAPES] says, and have it as of November, 1929. Let us not agree to the amendments proposed by the gentleman from Michigan [Mr. McLEOD] at the suggestion of the scrivener of the committee. Vote them down and when we go back in the House we will vote down the amendment of the gentleman from Mississippi [Mr. RANKIN] and keep intact the principle of the reapportionment plan.

Mr. WOOD. Mr. Chairman and gentlemen of the committee, there is no occasion for alarm. I resent what the gentleman from Michigan [Mr. MAPES] stated when he declared that the amendments now being offered to this bill are being offered by those who are opposed to it. [Applause.] If Mr. RANKIN had not offered his amendment changing the date to 1930, I would have done it myself, because I had one prepared for that purpose. [Applause.] I would have done it not because I am opposed to this measure but because I am in favor of it and have still some respect for the Constitution of the United States. [Applause.] Let this amendment prevail. Let other amendments that of necessity have to be made prevail. There will not be any trouble about the workableness of this measure. The gentleman who appeared before this Census Committee of the Senate after having appeared before the Census Committee of the House and declared himself in favor of taking the census in May, 1930, must have had some change in his dreams.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. WOOD. What caused it I do not know, but I know that when he stated you would find more people at home in November than you would in May, he did not know what he was talking about. I know this to be true in my district, about half agricultural and half manufacturing. Thousands and thousands of young men who work on the farms in the summer time in late October or early November go into our great steel mills and work during the winter and they are not then at home.

Mr. MAPES. Mr. Chairman, now will the gentleman yield?

Mr. WOOD. Yes.

Mr. MAPES. The gentleman is aware, of course, that between the time when the Director of the Census appeared before the Census Committee of the House and the time when he appeared before the Committee on the Census of the Senate the Senate had combined the reapportionment and census legislation and had made it mandatory upon the President, in order to reapportion the House, to report the results of the census to the Congress next December, and that fact may have influenced the Director of the Census somewhat in saying it would be quite improbable whether he could get the report to the President in time if the taking of the census or the date of starting to take it was put off to May 1, 1930.

Mr. WOOD. But that would not justify him in saying that there would be more men at home in November than there would be in May.

Mr. TEMPLE. Mr. Chairman, if the gentleman will permit, inadvertently the gentleman from Michigan [Mr. MAPES] said the law would require the President to make the report next December. It is at the beginning of the second regular session, which would be December, 1930.

Mr. MAPES. Of course, that is understood.

Mr. WOOD. That is correct, so that there will be ample time. I wish to say, as I said here this morning, that if the fathers meant anything, they meant that after the taking of the first census there should be taken each 10 years thereafter another census, and we are asked to put ourselves in the ridiculous position of taking two censuses in one decennial term. If the logic of the gentleman be carried out, if we can take more than one census in each decennial period, then we could take one in 1929, another in 1930, and another in 1931, and another in each year during that 10-year period. I think it is the consensus of opinion of the membership of this House, and I believe it to be the honest judgment of the people of the country, that we should not deviate from the manner in which these censuses have been taken heretofore, and that we should take them at a time when the best results may be had. We all know this, that the census taken in 1920 was a farce, and largely a farce because it was taken in January. [Applause.] I have said all I desire to say, but I believe that in the interest of a good enumeration, in the interest of a logical taking of this census, the month of May should be adopted, and that the year 1930 should be adopted, and thus we will carry out the practice of more than 140 years. [Applause.]

Mr. GIBSON. Mr. Chairman, I move to strike out the last two words. I quite agree with all that the gentleman from Indiana [Mr. WOOD] has said in relation to the time of the taking of the census. Up in our northern country it begins to be impossible to get about by automobile travel in November, and what is true there is true of the northern tier of the States of the Union. Something has been said in respect to the attitude of the Director of the Census as to the date of making the enumeration. I have a communication from him written last November, just prior to the meeting of the last session of Congress, and I call your attention to what he said at that time. This letter is directed to myself and reads as follows:

DEPARTMENT OF COMMERCE,
November 7, 1928.

MY DEAR MR. GIBSON: The date of the taking of the census, referred to in your letter of the 5th instant, has been the subject of a great deal of discussion. It is important that the date fixed by the law be one on which the greatest number of the people will be at their usual places of abode. We must consider the date on which the majority of the people return from winter resorts to their usual places of abode in the spring, and the date on which people leave their usual places of abode for summer resorts.

As you know, the law passed by the House fixed May 1 as the most desirable date. Please have a talk with me before you take any action that may result in changing this date. I shall be glad to see you when you come to Washington.

WILLIAM M. STEUART, Director.

Mr. BRAND of Georgia. What was the date of that letter?

Mr. GIBSON. The date of that letter was November 7, 1928. The letter indicates that the Director of the Census was then in favor of the May date.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan [Mr. McLEOD].

Mr. MAPES. Mr. Chairman, I think this amendment is of such importance that I shall ask for a division.

The CHAIRMAN. The gentleman from Michigan asks for a division.

The committee divided; and there were—ayes 205, noes 19. So the amendment was agreed to.

The CHAIRMAN. The Clerk will report another amendment offered by the gentleman from Michigan [Mr. McLEOD].

The Clerk read as follows:

Amendment offered by Mr. McLEOD: Page 2, line 12, strike out the words "twelve months" and insert in lieu thereof the words "six months from the beginning of the enumeration."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That the fifteenth and subsequent censuses shall be restricted to inquiries relating to population, to agriculture, to irrigation, to drainage, to distribution, to unemployment, to radio sets, and to mines. The number, form, and subdivision of the inquiries in the schedules used to take the census shall be determined by the Director of the Census, with the approval of the Secretary of Commerce.

Mr. WOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD: Page 5, lines 19 and 20, after the word "distribution," strike out "to unemployment, to radio sets."

Mr. WOOD. That is to make it conform to what has already been done.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Indiana.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 6. That the census of the population and of agriculture required by section 1 of this act shall be taken as of the 1st day of November, and it shall be the duty of each enumerator to commence the enumeration of his district on the day following unless the Director of the Census in his discretion shall change the date of commencement of the enumeration in said district by reason of climatic or other conditions which would materially interfere with the proper conduct of the work; but in any event it shall be the duty of each enumerator to prepare the returns hereinbefore required to be made and to forward the same to the supervisor of his district within 30 days from the commencement of the enumeration of his district: *Provided*, That in any city having 2,500 inhabitants or more under the preceding census, the enumeration of the population shall be completed within two weeks from the commencement thereof.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 7, line 3, strike out the word "November" and insert in lieu thereof the word "May."

Mr. RANKIN. That is a perfecting amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 9. That it shall be the duty of all persons over 18 years of age when requested by the Director of the Census, or by any supervisor, enumerator, or special agent, or other employee of the Census Office, acting under the instructions of the said director, to answer correctly, to the best of their knowledge, all questions on the census schedules applying to themselves and to the families to which they belong or are related, and to the farm or farms of which they or their families are the occupants; and any person over 18 years of age who, under the conditions hereinbefore stated, shall refuse or willfully neglect to answer any of these questions, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding \$100 or be imprisoned not exceeding 60 days, or both, and any such person who shall willfully give answers that are false shall be fined not exceeding \$500 or be imprisoned not exceeding one year, or both.

And it is hereby made unlawful for any individual, committee, or other organization of any kind whatsoever, to offer or render to any supervisor, supervisor's clerk, enumerator, interpreter, special agent,

or other officer or employee of the Census Office engaged in making an enumeration of population, either directly or indirectly, any suggestion, advice, or assistance of any kind, with the intent or purpose of causing an inaccurate enumeration of population to be made, either as to the number of persons resident in any district or community, or in any other respect; and any individual, or any officer or member of any committee or other organization of any kind whatsoever, who directly or indirectly offers or renders any such suggestion, advice, information, or assistance, with such unlawful intent or purpose, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding \$1,000.

And it shall be the duty of every owner, proprietor, manager, superintendent, or agent of a hotel, apartment house, boarding or lodging house, tenement, or other building, when requested by the Director of the Census, or by any supervisor, enumerator, special agent, or other employee of the Census Office, acting under the instructions of the said director, to furnish the names of the occupants of said hotel, apartment house, boarding or lodging house, tenement, or other building, and to give thereto free ingress and egress therefrom to any duly accredited representative of the Census Office, so as to permit the collection of statistics for census purposes, including the proper and correct enumeration of all persons having their usual place of abode in said hotel, apartment house, boarding or lodging house, tenement, or other building; and any owner, proprietor, manager, superintendent, or agent of a hotel, apartment house, boarding or lodging house, tenement, or other building who shall refuse or willfully neglect to give such information or assistance under the conditions hereinbefore stated shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding \$500.

Mr. SUMNERS of Texas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. SUMNERS of Texas. Mr. Chairman, I would like to ask the chairman of the committee a question for information. On page 10, line 20, there is a maximum fine of \$1,000 proposed as a penalty for—

any individual, committee, or other organization of any kind whatsoever, to offer or render to any supervisor, supervisor's clerk, enumerator, interpreter, special agent, or other officer or employee of the Census Office engaged in making an enumeration of population, either directly or indirectly, any suggestion, advice, or assistance of any kind, with the intent or purpose of causing an inaccurate enumeration of population to be made—

And so forth. It seems to me that is one of the gravest offenses that might possibly occur in the taking of the census, and the committee has only provided a fine. This is an offense that may be wholesale, with fraudulent intent. Does not the chairman of the committee think there ought to be added imprisonment for possibly a year or both such fine and imprisonment? How does it come about that was not done?

Mr. FENN. I will say to the gentleman that it came about in the Senate. The gentleman well knows that this bill has never been before the Census Committee of the House. I think the suggestion of the gentleman from Texas is worthy to be added here by way of amendment. The House has never had an opportunity to thoroughly digest this bill until to-day.

Mr. SUMNERS of Texas. Mr. Chairman, I desire to offer an amendment to strike out the period and add to the fine "or imprisonment not exceeding one year, or both," in line 20 of page 10.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 10, line 20, after the figures "\$1,000," strike out the period and add "or by imprisonment not exceeding one year, or both."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

Mr. GLOVER. Mr. Chairman, will the gentleman yield for a question?

Mr. SUMNERS of Texas. Yes.

Mr. GLOVER. Do you not think you ought to strike out the word "misdemeanor" and make that a felony?

Mr. SUMNERS of Texas. Mr. Chairman, may I have the privilege of offering a correction of the language by unanimous consent?

The CHAIRMAN. The gentleman from Texas asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will again report the amendment as modified by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 10, line 20, after the figures "\$1,000," strike out the period and add "or be imprisoned for not exceeding one year, or both."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 10. That it shall be the duty of every owner, official, agent, person in charge, or assistant to the person in charge, of any company, business, institution, establishment, religious body, or organization of any nature whatsoever, to answer completely and correctly to the best of his knowledge all questions relating to his respective company, business, institution, establishment, religious body, or other organization, or to records or statistics in his official custody, contained on any census schedule prepared by the Director of the Census under the authority of this act, or of the act to provide for a permanent Census Office, approved March 6, 1902, or of acts amendatory thereof or supplemental thereto; and any person violating the provisions of this section by refusing or willfully neglecting to answer any of said questions, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding \$500, or imprisoned for a period not exceeding 60 days, or both so fined and imprisoned, and any person violating the provisions of this section by willfully giving answers that are false shall be fined not exceeding \$10,000 or imprisoned for a period not exceeding one year, or both.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word for the purpose of asking what the committee has in mind with reference to obtaining information from a religious body.

Mr. FENN. To make inquiry of the pastor of a church or warden, I presume. I do not know.

Mr. LAGUARDIA. Is that within the scope of the census?

Mr. FENN. I presume it is. Somebody desired a religious census, so this was put in by the Senate.

Mr. LAGUARDIA. But we want to know what we are doing. In the taking of the census is it required that information be gathered on the question of religion?

Mr. FENN. Only as far as embodied in this bill, if it becomes a law.

Mr. LAGUARDIA. It is not provided for in section 1, is it?

Mr. FENN. No; it is not provided for anywhere else but here.

Mr. LAGUARDIA. I can not understand the purpose of it.

Mr. FENN. All of this questionnaire is to be made up by the Director of the Census, and I do not understand it is to be a denominational census.

Mr. COLE. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. COLE. Every census makes a complete report of church organizations.

Mr. LAGUARDIA. Is that within the contemplation of this bill?

Mr. COLE. You will find that information in every census; in fact, they issue a special volume on church statistics.

Mr. FENN. If the gentleman from New York will examine the language of the section he will find it relates to—

Any company, business, institution, establishment, religious body, or organization of any nature whatsoever.

Mr. LAGUARDIA. And that would take in any kind of a society, secret or fraternal?

Mr. FENN. I presume so.

Mr. LAGUARDIA. Well, if you can get information from them you are good.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

SEC. 14. That all mail matter, of whatever class or weight, relating to the census and addressed to the Census Office, or to any official thereof, and indorsed "Official business, Census Office," shall be transmitted free of postage, and by registered mail if necessary, and so marked: *Provided*, That if any person shall make use of such indorsement to avoid the payment of postage or registry fee on his or her private letter, package, or other matter in the mail, the person so offending shall be guilty of a misdemeanor and subject to a fine of \$300, to be prosecuted in any court of competent jurisdiction.

Mr. DENISON. Mr. Chairman, I move to strike out the last word, and I do so for the purpose of asking the chairman of the committee, or anyone else who can answer it, a question with reference to section 11, which has just been read. We have adopted an amendment to the bill which requires the enumerators to obtain certain information in regard to foreigners who

are in this country, and particularly foreigners who are unlawfully in the country, but it has not been entirely disclosed for what purpose. Now section 11 provides that the information furnished under the provisions of this act shall be used only for the statistical purposes for which it is supplied, and no publication shall be made by the Census Office whereby the data furnished by any particular establishment or individual can be identified, nor shall the Director of the Census permit anyone other than the sworn employees of the Census Office to examine the individual reports. Now if we leave the amendment with reference to the enumeration of foreigners in the bill the Census Bureau will not be allowed to give out or furnish any information received as to any particular foreigner; that is, if section 11 remains in the bill. I am wondering whether that section ought to remain in the bill if we keep in the bill the Bankhead amendment in regard to enumerating foreigners.

Mr. FENN. If the gentleman will permit, how would it do to add after the word "reports," in line 20, a comma instead of the period, and insert "except as otherwise provided in the bill"?

Mr. STAFFORD. Mr. Chairman, did we not pass that section a little while ago and is not the gentleman a little late in making his suggestion?

Mr. DENISON. Mr. Chairman, I am not offering any amendment. I was merely presenting a question which I thought might solicit some information for the committee.

Mr. STAFFORD. The gentleman is showing the futility of the Bankhead amendment.

Mr. FENN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FENN. Can we go back to this section after passing it?

Mr. DENISON. Mr. Chairman, may I make my position plain? I am not asking to go back or offering any amendment, but I have the right to comment on any part of the bill. Mr. Chairman, I have not asked for any time on this bill, and I certainly am within my rights if I rise and ask for a moment to call attention to an inconsistency in the bill with a view to permitting the committee to cure it if they wish to do so. I am not asking to return to section 11 and take out anything or add anything.

Mr. DYER. What is the gentleman's complaint?

Mr. DENISON. I am not making any complaint. I was calling the attention of the chairman of the committee and of the House to what I thought was an inconsistency between this provision of the bill and the Bankhead amendment that has been approved.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. DENISON. Certainly.

Mr. LAGUARDIA. I called the attention of the committee earlier in the day in opposing the amendment which was adopted, and so did the gentleman from Washington [Mr. JOHNSON], to the fact that the information obtained could not be used against any person and was not available for use.

Mr. JOHNSON of Washington. That has always been the law and will continue to be the law, whether this is a mistake or not.

Mr. LAGUARDIA. And that is the history and tradition of census information.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

SEC. 16. That there shall be in the year 1934, and once every 10 years thereafter, a census of agriculture and livestock, which shall show the acreage of farm land, the acreage of the principal crops, and the number and value of domestic animals on the farms and ranges of the country. The schedule employed in this census shall be prepared by the Director of the Census. Such census shall be taken as of the 1st day of November and shall relate to the crop year. The Director of the Census may appoint enumerators or special agents for the purpose of this census in accordance with the provisions of the permanent census act.

Mr. FENN. Mr. Chairman, I offer an amendment. It is manifest that in line 3 the year "1934" should be stricken out and "1935" inserted to correspond with an amendment recently adopted to the bill. I therefore offer that amendment.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FENN: Page 14, line 3, strike out the figures "1934" and insert "1935."

The amendment was agreed to.

Mr. HOCH. Mr. Chairman, I move to strike out the last word. I do this simply to call attention to the language "the

1st day of November." Is it the intention of the committee to change that?

Mr. FENN. Mr. Chairman, I desire to offer an amendment to strike out, in line 10, the word "November" and insert the word "May."

Mr. BURTNESS. Will the gentleman yield?

Mr. FENN. Yes.

Mr. BURTNESS. Should not that be as of the 1st day of January? Is not that the date as of which you are taking the census?

Mr. FENN. No; we are taking it as of the 1st day of May. We begin the census on the 1st day of May.

Mr. BURTNESS. This does not relate to the time of taking it. This relates to the date as to when the information you get is to be applied, and my understanding is you are trying to get information as of the 1st day of January.

Mr. FENN. No; as of the 1st day of May.

Mr. BURTNESS. Mr. Chairman, I shall offer an amendment to the amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Connecticut.

The Clerk read as follows:

Amendment offered by Mr. FENN: Page 14, line 10, strike out the word "November" and insert in lieu thereof the word "May."

Mr. BURTNESS. Mr. Chairman, I offer an amendment to the amendment to strike out the word "May" and insert the word "January."

The CHAIRMAN. The gentleman from North Dakota offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BURTNESS: Strike out the word "May" in the Fenn amendment and insert in lieu thereof the word "January."

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from North Dakota.

Mr. DOWELL. Mr. Chairman, I think the gentleman from Connecticut [Mr. FENN], who made the original motion, has accepted the amendment and that the amendment really expresses what he desires to put in the bill, which is the 1st of January.

Mr. FENN. That is true.

Mr. LaGUARDIA. You are going to take a census in the rural districts as of the 1st of January?

Mr. FENN. No; this is to furnish the statistics on the agricultural crops.

Mr. LaGUARDIA. I am talking about the agricultural census. There is about as much sense in that as in some of the other amendments that have been adopted.

The question was taken; and on a division (demanded by Mr. BURTNESS) there were—ayes 127, noes 12.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now recurs on the amendment of the gentleman from Connecticut as amended.

The amendment as amended was agreed to.

The Clerk read as follows:

SEC. 18. That the Director of the Census be, and he is hereby, authorized at his discretion, upon the written request of the governor of any State or Territory or of a court of record, to furnish such governor or court of record with certified copies of so much of the population or agricultural returns as may be requested, upon the payment of the actual cost of making such copies and \$1 additional for certification; and that the Director of the Census is further authorized, in his discretion, to furnish to individuals such data from the population schedules as may be desired for genealogical or other proper purposes, upon payment of the actual cost of searching the records and \$1 for supplying a certificate; and that the Director of the Census is authorized to furnish transcripts of tables and other records and to prepare special statistical compilations for State or local officials, private concerns, or individuals upon the payment of the actual cost of such work: *Provided, however,* That in no case shall information furnished under the authority of this act be used to the detriment of the person or persons to whom such information relates. All moneys hereafter received by the Bureau of the Census in payment for labor and materials used in furnishing transcripts of census records or special statistical compilations from such records shall be deposited to the credit of the appropriation for collecting statistics.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 15, line 9, after the word "special," strike out "satisfical" and insert in lieu thereof the word "statistical."

The amendment was agreed to.

Mr. DENISON. Mr. Chairman, I move to strike out the paragraph.

This is a pro forma amendment, Mr. Chairman, to call attention to one matter which I think ought to be called to the attention of the committee. It may not be of any value but I want to call it to the attention of the committee.

We have adopted what is known as the Bankhead amendment which requires the taking of information with reference to aliens in the country who are unlawfully here.

Of course, it is against the law for aliens to come in improperly and they commit a crime when they do so. We have adopted that amendment which requires aliens to answer questions which, of course, will incriminate them. That is the effect of the Bankhead amendment.

The bill requires all questions to be answered under severe penalties if they refuse, and it also provides severe penalties if they make a false answer.

The section just read contains this provision, which I wish to call to your attention:

Provided, however, That in no case shall information furnished under the authority of this act be used to the detriment of the person or persons to whom such information relates.

If a man has improperly come into this country, has been smuggled in, and an enumerator comes to him and asks him for information as to how he got here and he gives the information, this information can at no time, if the act is passed in this form, be used to his detriment, and, in my judgment, you will be granting immunity to the foreigners who are improperly in the country.

I am merely suggesting this. The House is not in a very legislative mood. You are not giving serious consideration to this bill at all. You are trying to get through with it this afternoon without consideration. Do we want to grant immunity to all the foreigners who have been smuggled into this country improperly?

Now, in my judgment, if we pass the bill with both this provision and the Bankhead amendment, you are going to give immunity to everyone disclosing information as to his unlawful entry into the country.

Mr. DOWELL. We would grant nothing except as to his testimony. If he is here unlawfully, he may be deported irrespective of that and it will have no effect.

Mr. DENISON. The act does not say you can not use any "statement" made by a person; it says you can not use the "information" he gives. Any facts that he discloses you could not use against him. I present this suggestion for what it may be worth. I think there should be some amendment to this section if you do not want to grant immunity to aliens who are interrogated and who furnish information showing their illegal entry.

Mr. JOHNSON of Washington. The trouble comes here: Under the act of 1924 the burden of proof is on the alien to prove that he is legally here. He is deportable for all time. Prior to 1924 that was not the case. Those entering prior to 1921 had the right to come as a visitor and remain. A sailor that came in could leave the ship illegally, remain three years, and then he is lawfully here. What kind of an answer can they make to the average enumerator?

Mr. SUMNERS of Texas. The gentleman from Illinois is a good lawyer and has suggested an important matter, but does not my friend feel that this provision ought to follow if the Bankhead amendment is retained and for this reason. If the Bankhead amendment remains in the bill, it will enable information to be had for a special purpose and would prevent the information from being used against the man giving the information. Does not the gentleman believe that that ought to be the case? Information is elicited from immigrants illegally in this country, and later the immigrant is arrested under the general statute making such presence in this country illegal. With this provision in the law he could not be confronted, and he ought not to be, by the statement he made to the enumerator.

Mr. DENISON. The bill does not say the "statement" may not be used, but rather the "information," which means the facts that he discloses could not be used against him, or to his detriment. In other words, any facts or information he furnishes could not be used to deport or to punish him.

Mr. SUMNERS of Texas. Then, is not my colleague mistaken?

Mr. FENN. Mr. Chairman, a parliamentary inquiry. What is before the House?

The CHAIRMAN. The motion of the gentleman from Illinois to strike out the paragraph.

Mr. BURTNESS. Will the gentleman from Illinois yield?

Mr. DENISON. I yield.

Mr. BURTNESS. Does not the gentleman's argument force us to this conclusion, that the Bankhead amendment ought to be defeated by the House for the reason that the Bankhead

amendment calls for certain information, and if the individual refuses to give that information he is subjected to prosecution, and the information that he is asked for would be information that he is not compelled to divulge under the constitutional provision?

Mr. DENISON. I think either the Bankhead amendment ought to go out or this provision I have referred to should go out, because I think this provision would give an alien complete immunity.

Mr. BURTNESS. One or the other ought to go out.

Mr. THURSTON. Under the selective draft act young men were required to come in and give information that was not available to the public. This very same process was used in the selective draft.

Mr. DENISON. No provision of this kind was in the selective draft law. I think the Bankhead amendment ought to go out of the bill, because it will accomplish nothing and would require a lot of hard, difficult work which the enumerators will not be prepared to do. The information furnished by the aliens unlawfully here could not be disclosed and used for any useful purpose, and when once such information or facts have been disclosed by the aliens in response to the requirements of the bill they could not afterwards be used either to punish or deport them. We will make a mistake if we pass the bill in that form.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 22. That on the first day, or within one week thereafter, of the second regular session of the Seventy-first Congress and of each fifth Congress thereafter, the President shall transmit to the Congress a statement showing the whole number of persons in each State, excluding Indians not taxed, as ascertained under the fifteenth and each subsequent decennial census of the population, and the number of Representatives to which each State would be entitled under an apportionment of the existing number of Representatives made in the following manner: By apportioning the existing number of Representatives among the several States according to the respective numbers of the several States as ascertained under such census, by the method used in the last preceding apportionment and also by the method of equal proportions, no State to receive less than one Member.

If the Congress to which the statement required by this section is transmitted fails to enact a law apportioning Representatives among the several States, then each State shall be entitled, in the second succeeding Congress and in each Congress thereafter until such apportionment law shall be enacted or a subsequent statement shall be submitted as herein provided, to the number of Representatives shown in the statement based upon the method used at the last preceding apportionment; and it shall be the duty of the Clerk of the last House of Representatives forthwith to send to the executive of each State a certificate of the number of Representatives to which such State is entitled under this section. In case of a vacancy in the office of Clerk, or of his absence or inability to discharge this duty, then such duty shall devolve upon the officer who, under section 32 or 33 of the Revised Statutes, is charged with the preparation of the roll of Representatives elect.

This section shall have no force and effect in respect of the apportionment to be made under any decennial census unless the statement required by this section in respect of such census is transmitted to the Congress within the time prescribed in this section.

Mr. FENN. Mr. Chairman, I send the following amendment to the Clerk's desk.

The Clerk read as follows:

Page 17, line 4, and again in line 6, before the word "existing," insert the word "then."

The amendment was agreed to.

Mr. FENN. I offer a further amendment.

The Clerk read as follows:

Page 17, line 8, strike out all after the comma down to and including line 11, and insert: "By the method known as the method of major fractions, also by the method known as the method of equal proportions, and also by any different method used in the last preceding apportionment, no State to receive less than one Member."

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The gentleman from Connecticut offers another amendment, which the Clerk will report.

The Clerk read as follows:

Page 17, line 16, strike out all after the word "thereafter" down to and including the word "provided" in line 18, and in lieu thereof insert the following: "until the taking effect of a reapportionment under this act or subsequent statute."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 17, line 12, strike out down to and including line 9 on page 18.

Mr. RANKIN. Mr. Chairman, I sincerely trust that this amendment will be adopted. It simply means that if we adopt this amendment this not only ends this debate but it will be the last amendment offered to the bill. It strikes out that provision delegating the power to reapportion the Congress to the Department of Commerce or to the President of the United States.

If this amendment be adopted the amendment to exclude aliens from the count, of course, will not be reached, because it would be offered to a part of the language stricken out. It leaves with the Congress of the United States, after the census is taken and report made to Congress—and it will mean this present Congress—the power to make the reapportionment itself. It leaves that prerogative that was given us by the Constitution in our hands. If this amendment is voted down, then, of course, the other amendment will be offered. If it is voted down, one or both of them will be offered on motions to recommit.

It will be only a year. You will have reapportionment just as early by adopting this amendment as by voting it down. Those of us who have been opposed to reapportionment under the census of 1920 have been so because of the lack of accuracy in that census, and practically everyone of us has announced that just as soon as we can get an accurate census of all the American people taken, we propose to come back here, to this Congress, not the next one, and pass a reapportionment bill.

You will get reapportionment just as quickly and at the same time you will not be surrendering powers vested in you by the Constitution and by the people whom you represent. I sincerely trust that this amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and the Chair announced that the yeas seemed to have it.

Mr. RANKIN. Mr. Chairman, I demand a division.

The committee divided, and the tellers reported.

Mr. BANKHEAD. Mr. Chairman, I challenge the accuracy of the vote. The gentleman from Alabama [Mr. PATTERSON] voted under a misapprehension.

Mr. PATTERSON. Mr. Chairman, I was counted as No. 6 on the negative side. I intended to vote with the gentleman from Mississippi [Mr. RANKIN] for the amendment.

Mr. BANKHEAD. One vote ought to be taken off the vote in the negative and added to the affirmative.

Mr. STAFFORD. I suggest that could only be done by having the vote retaken.

The CHAIRMAN. The fact that the gentleman made a mistake in voting does not furnish any ground for challenging the vote. If the gentleman from Alabama asks unanimous consent to change his vote, the Chair will entertain such a request.

Mr. PATTERSON. Mr. Chairman, I make that request.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to change his vote. Is there objection?

There was no objection.

The CHAIRMAN. On this vote, taking into consideration the change just made, the tellers report—ayes 148, yeas 157.

So the amendment was rejected.

Mr. THURSTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. THURSTON: Page 17, line 1, after the word "taxed," insert "and excluding aliens."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

Mr. LUCE. Mr. Chairman, I rise in opposition to the amendment. When on the 1st day of May, our learned authority on constitutional law, and our good friend, Mr. TUCKER, of Virginia, so admirably propounded what he thought the right of the House to accomplish through legislation the change now sought by this amendment, his argument was so powerful that almost was I persuaded, but upon reflection it seemed prudent first to go somewhat back of where he began. He took the Constitution as it stands to-day, analyzed its phrases, defined its words. He did not lay before this House anything about the history of the phrase in the Constitution that should govern. So once more have I read Madison's Journal; I have even gone to the Journal of the Confederation; and I do not believe there is any man here who will do that same thing and then say that it is within the constitutional power of this House to put into abiding law the amendment now offered.

I agree with the report made to the Senate by its legal counsel to the effect that it is not within the constitutional power of Congress to do this thing.

Let me remind you that there were two great compromises in the Federal Convention. Curiously enough, they both confront us at this very time. One was the compromise by which the small States obtained equal power with the large States in the Senate in return for the right of the House to initiate programs respecting revenue. The other is before you now.

Mind you, this is the second of the great compromises, the great bargains, the great pledges, upon which this Union was founded.

The discussion in the Federal Convention was a sequel to the attempt of the Congress of 1783 to secure authority for levying taxes upon the States composing the confederation on the basis of population. That Congress by resolution advised its delegates to ask instructions to this effect:

All charges of war and all other expenses * * * shall be supplied by the several States in proportion to the whole number of white and other free citizens and inhabitants, of every age, sex, and condition, including those bound to servitude for a term of years, and three-fifths of all other persons not comprehended in the foregoing description, except Indians not paying taxes, in each State; which number shall be triennially taken and transmitted to the United States in Congress assembled, in such mode as they shall direct and appoint.

Of course, the instructions were not granted by the States—jealous, suspicious, parsimonious, weakly confederated. Hence one of the reasons for the convention of 1787.

When it met, Randolph in opening the work proposed resolutions, one of which was—

That the rights of suffrage in the National Legislature ought to be proportioned to the quotas of contribution, or to the number of free inhabitants, as the one or the other rule may seem best in different cases.

Charles Pinckney presented a plan in more detail, which read:

The legislature shall hereinafter regulate the number of delegates by the number of inhabitants. * * * The proportion of direct taxation shall be regulated by the whole number of inhabitants of every description.

From the start and throughout the convention the struggle was over the combining of these two things.

The problem was not as to the representation of individuals or the rights of men as men. The issue was as to the rights of property, and the question was whether or not the count of population was adequate to disclose the wealth of the States. I will read to you two very brief extracts to show the difference of opinion. Here is what Colonel Mason said July 11:

He urged that numbers of inhabitants, though not always a precise standard of wealth, was sufficiently so for every practical purpose.

Mind you, he thought it was enough to count the heads in order to measure the wealth. Gouverneur Morris on the same day took the opposite view:

His great objection was that the number of inhabitants was not a proper standard of wealth.

The representation of what our fathers spoke of as "blacks," based upon three-fifths of the number, was not because they were citizens, not even because they were persons, but because they were property. Said Charles Pinckney:

The blacks are the laborers, the peasants, of the Southern States. They are as productive of pecuniary resources as those of the Northern States. They add equally to the wealth and, considering money as the sinew of war, to the strength of the Nation.

Slaves were property. The concession of added membership in this body, granted for that reason and that only, gave the South for many years an excess of power in this body.

After the convention had earnestly and anxiously discussed its differences for many days, when conference and compromise had at last brought the stubborn disputants toward agreement, on the 26th of July the various resolutions up to that time tentatively accepted were referred to the committee on detail. One reads:

Resolved, That a census be taken of all the inhabitants; * * * and that the Legislature of the United States shall proportion the direct taxation accordingly.

The census was to be taken of all the inhabitants on the ground that inhabitants measured property, and here was further phraseology to determine the measure of property.

The census was not to be taken to count the number of persons that might be represented. The census was taken that by finding the number of persons inhabiting the various States knowledge might be had of their comparative wealth. The pri-

mary problem, first, last, and all the time, was the allotment of taxes.

This final solution of the dilemma was the second pillar for the arch of the Union. The first was the compromise upon which in these recent days has hung the fate of the debenture plan. This second pillar for the arch of the Union was an agreement that the States should be represented in the lower branch in proportion to the number of their inhabitants. Note well that through the convention the word "inhabitants" was used, and clearly always with its comprehensive meaning as in the resolution of 1783, when it was extended at one time with this particularity, that it should include "the whole number of whites and other free citizens and inhabitants of every age, sex, and condition." The fathers meant to include the women and the children. They meant to include every resident human being of white complexion. They meant to include aliens.

And they meant to do this in order that the States might be represented in the lower branch in proportion to their agricultural, their industrial, and their commercial interests—their wealth.

It was political doctrine that might not prevail to-day. Were we writing the Constitution, we might change it in this particular. But until it is changed our action should be, and the action of the courts will be, determined by what the Constitution meant when its acceptance made this Nation possible.

When at last the body of resolutions agreed upon went to the committee on style, that committee consolidated the provisions about representation and taxation. It had no authority to change purport. Its only duty was to put meaning in the best English, the clearest language, the simplest form. It consolidated the provisions about Representatives and direct taxes, and it spoke of "number"; but there is not a shadow of suggestion, not an inch of ground, not an iota of reason for surmise that "respective numbers" and "free persons" did not mean "number of free inhabitants."

These facts about the history of the matter in the Federal convention were not brought to attention in debate in either branch, so far as I have observed, until yesterday. The gentleman from California [Mr. LEA] was, I think, the first man in all the discussion to hit the nail on the head. I but somewhat elaborate and emphasize the story. There was not a large attendance yesterday at the time. Some Members may not have understood the point brought out. With the gentleman from California I hold that this Union exists because, in part, of the pledge of our fathers that in the census account should be taken of every inhabitant, no matter what the age, sex, or condition. In the face of unquestionable history no unprejudiced man can for one moment think that it is within our constitutional power to pass the amendment now proposed.

Oh, some one may say, "Let the court decide about this matter." I can not conceive that course to be the privilege of any Member of Congress. I believe it is the duty of every man here to decide this question of constitutionality and every other as his judgment tells him to decide. [Applause.]

No man's conscience will be easy if he casts his vote knowing that he violates the Constitution of the United States. [Applause.]

Mr. HOCH. Mr. Chairman, I offer a substitute amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment as a substitute for the amendment offered by the gentleman from Iowa [Mr. THURSTON]. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. HOCH as a substitute for the amendment offered by Mr. THURSTON: Page 18, after line 4, insert a new paragraph, as follows:

"The word 'persons' as used in this section shall not be construed to include aliens. If any provision of this section is declared unconstitutional the validity of the remainder of the act shall not be affected thereby."

Mr. HOCH. Mr. Chairman and members of the committee, I think you all know the feeling I have as to the merits of this proposition, and it is with considerable hesitancy that I have offered this amendment. When we had the reappointment bill under consideration before I did not offer the amendment because I had proceeded upon the theory that it required a constitutional amendment. I say frankly to the committee now that I think there is perhaps a stronger argument holding that it does require a constitutional amendment than otherwise. But I do not think it is free from doubt. I believe there is a debatable question here, and, believing as deeply as I do in the merits of the proposition, I have offered the amendment in the form I have offered it, providing specifically that if this construction of the word "persons" shall be held unconstitutional it shall not affect the validity of this act; in other words, I

have inserted the usual separability provision so as not to jeopardize this act in case this particular construction of the word "persons" is held unconstitutional. I have always supported reapportionment legislation.

I may say that I listened with a great deal of interest to the argument of our distinguished colleague from Virginia [Mr. TUCKER]. And if I may pause to say just a personal word to you, I can not refrain from saying in this connection that just 25 years ago I went to law school to the gentleman from Virginia [applause], and if it were not unfair to him I might say that what little I know about the law I imbibed in considerable part from him.

And I must say that when the gentleman from Virginia, one of the well-known constitutional lawyers of America, dean of the law school I attended, after weeks of careful study, comes before this House and tells the House solemnly, after reading all the debates and after making all of the inquiry, that in his judgment it does not require a constitutional amendment, I am led to offer the amendment in the form I have offered it, because I believe so profoundly in the justice of the proposal itself. [Applause.]

I have also read the arguments in the Constitutional Convention, and I agree with our distinguished friend from Massachusetts that it is the duty of every Member of this House to pass as best he can upon the question of the constitutionality of proposals that are made here, and I am not in sympathy with the argument that has been made upon this floor that since the Supreme Court might not pass upon it on the ground that it was a political question that therefore we would be at liberty to place it upon the statute books. I do not agree with that. I believe it is our duty to look into the question of constitutionality as best we may, and if I did not believe there is a substantial doubt here I certainly would not offer this amendment.

I want to call attention to a statement which Mr. Madison made in the Constitutional Convention, which I think places this issue upon the fundamental question involved. We are all familiar with the compromise to which the distinguished gentleman from Massachusetts [Mr. LUCE] has alluded, the compromise between the small States and the large States, and when it came to the popular branch of the Congress to be set up, Mr. Madison laid down this fundamental proposition, and I quote from his language:

He (Madison) appealed to the doctrine and arguments used by those on a former occasion. It had been very properly observed by Mr. Patterson, said Mr. Madison, that representation—

That is, in the House of Representatives—

was an expedient by which the meeting of the people themselves was rendered unnecessary and that the Representatives ought, therefore, to bear a proportion of the votes which their constituents, if convened, would respectively have.

In other words, he said this: The popular branch of the Congress is to represent the people of the United States and the Senate is to represent the States, and each State should therefore cast a vote in the popular branch of the Congress in the same proportion that its people would cast if they were collectively assembled; in other words, the legislative branch here is an expedient to take the place of the impossible assemblage of all the people to legislate for themselves.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HOCH. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. DYER. Mr. Chairman, reserving the right to object, I would like to inquire of the gentleman in charge of the bill whether it is the intention to finish this bill this evening?

Mr. FENN. I will state to the gentleman that if we can reach the time to vote at a reasonable hour we will proceed until that hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOCH. It is true that when the Constitution was framed the word "persons" would have been construed at that time to include aliens, although the word "aliens" had no clearly defined judicial meaning at the time the Constitution was adopted, for the reason that there were four, and I believe five, States which had no naturalization laws, and there was, therefore, no legal distinction common to all the States between an alien and a citizen.

It is true that in many, if not all, of the Colonies aliens were permitted to vote and they were therefore at that time an

organic part of the people, or of the "persons," to use the word of the Constitution.

What is the situation now? By constitutional enactment in every State of this Union, with no exception, no alien can vote. Citizenship is now a condition precedent to suffrage by constitutional enactment of every State in the Union.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. HOCH. Yes; I yield.

Mr. SCHAFER of Wisconsin. The gentleman has indicated that apportionment should be made based on the number of voters. Then would the gentleman—

Mr. HOCH. No; the gentleman misunderstood me.

Mr. SCHAFER of Wisconsin. The gentleman's argument so indicates.

Mr. HOCH. The gentleman misunderstood me.

Mr. SCHAFER of Wisconsin. Then how does the gentleman explain the State of Mississippi having eight Congressmen when they only cast 119,000 votes in the State?

Mr. HOCH. I can not yield further, as I do not wish to be diverted now from the immediate point I am discussing.

Mr. SIROVICH. Will the gentleman yield?

Mr. HOCH. Yes.

Mr. SIROVICH. If the gentleman's sentiments are correct, in 1868, when the second section of the fourteenth amendment was written, we had as many aliens then as we have to-day proportionate to our population, and why is it that our forefathers never put in the word "aliens" but just used the word "persons" and said, "excluding Indians not taxed." They left nothing to the imagination or to inference.

Mr. HOCH. I say that the same thing that applied when the Constitution was adopted, to which I have just referred, also applied at the time the fourteenth amendment was adopted. How many States there were at that time that permitted aliens to vote I do not know, but I believe that in 1917 there were still seven States which permitted those who had merely filed their declaration of intention, and were therefore still aliens, to vote. But that has been changed in all of those States, and to-day we have an entirely different situation from what we had when the Constitution was adopted or when the fourteenth amendment was adopted.

Applying, therefore, the proposition which Madison laid down, we get an entirely different situation now from that which existed when the Constitution was adopted. If all the people were collectively assembled, the aliens would not now be permitted to vote in matters of legislation. By constitutional enactment in every State we have now said that they can not vote. That being the case, why should the people of the States be permitted to count them now to determine representation here? To count them violates the fundamental proposition which Madison laid down and from the logic and force of which I do not believe there is any escape. Does not this consideration raise a serious question as to whether a construction of the word "persons" may not therefore be made by Congress which will carry out the real purpose of the framers to give to each State the same proportionate representation here that they would have if all the people were collectively assembled to legislate? It may not be conclusive but it is an argument which is entitled to most serious consideration.

Mr. FENN. Will the gentleman permit a question?

Mr. HOCH. Yes; I yield to the gentleman.

Mr. FENN. I ask this question, because I have great admiration for the gentleman's ability as a constitutional lawyer. Is the gentleman from Kansas himself satisfied that his amendment is within the provisions of the Constitution?

Mr. HOCH. I repeat what I said in opening. I am merely satisfied that it is a highly debatable proposition and therefore I have offered it believing I am within my rights in offering it upon that basis, with a provision specifically written into the amendment that if that particular construction of the word "persons" shall be held to be unconstitutional, it shall not affect the validity of the rest of this act.

Mr. JOHNSON of South Dakota. Will the gentleman yield?

Mr. HOCH. I yield to the gentleman.

Mr. JOHNSON of South Dakota. The gentleman would concede that this change in representation would not be as drastic a change in government as the one that has been made in the election of the President of the United States, recognizing the fact that in the beginning it was presumed that the citizens of each State would meet and present the names of their candidates directly to the electors while to-day it is entirely done by political parties. In other words, the situation to-day is not the same as it was 150 years ago.

Mr. HOCH. There is point to the gentleman's reference. I am raising the question of whether the changed situation does not permit a changed construction of the word "persons." That is the question I am attempting to raise here.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. HOCH. Just for a moment, if the gentleman will permit, I would like to finish this particular thought.

By way of supporting the idea that there is uncertainty, I call attention to this further fact. In the fourteenth amendment you will recall that in the second section is the much-controverted provision with reference to the reduction of representation when suffrage is denied under certain circumstances—if any State shall deny the right to vote to any of its male inhabitants being 21 years of age and being citizens of the United States, and so forth, then the representation of that State shall be reduced accordingly.

Now, what sort of situation are we left in if we insist that the word "persons" necessarily includes aliens? Let me submit an illustration. Suppose the State of Pennsylvania, by way of illustration, should decide that the age of 21 is too low for suffrage. Plainly they have the right under the Constitution to change the age. Suffrage is solely a matter of State jurisdiction aside from such express limitations as those of the fourteenth, fifteenth, and the nineteenth amendments.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOCH. Mr. Chairman, I ask unanimous consent to proceed for another five minutes.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. TINKHAM. Reserving the right to object, will the honorable Member answer a question if I propound it during the five minutes?

Mr. HOCH. I do not know whether I can answer one of the gentleman's questions.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HOCH. I am sorry to take so much of the time of the committee.

Mr. CONNERY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The Chair will state that a parliamentary inquiry can not be submitted unless the gentleman from Kansas yields for that purpose.

Mr. HOCH. I yield.

Mr. CONNERY. I want to state to the Chair that a gentleman here objected in plenty of time.

The CHAIRMAN. If the gentleman will desist a moment, the Chair will ask leave of the committee to say that there was no objection made by any gentleman standing in his place before the Chair announced there was no objection. [Applause.]

Mr. HOCH. I shall not impose upon the committee after this five minutes.

Now, suppose the State of Pennsylvania decides to raise the age of suffrage to 30 years, which they have the right to do under the Constitution.

Under the fourteenth amendment, if we enforce it, we would automatically reduce the representation of that State by the proportion of the number of people between 21 and 30 years of age who had been denied the right of suffrage.

Now, suppose there were 500,000 citizens in the State of Pennsylvania between the ages of 21 and 30 and also 500,000 aliens. We would deny to those 500,000 citizens the right to be counted in determining the number of Representatives from that State, and yet we would have the absurd situation of permitting the 500,000 aliens to be counted to determine the number of Representatives. The same absurd discrimination against citizens in favor of aliens would, of course, also result as to the electoral vote of the State. I call attention to that for the purpose of suggesting that there is some reasonable argument with reference to the interpretation of the word "persons," and it may be argued with no little force that we have the right to put an interpretation on the word "persons" that would not make the fourteenth amendment work an utterly absurd result. [Applause.]

Mr. TINKHAM. Will the gentleman yield?

Mr. HOCH. I yield to the gentleman from Massachusetts.

Mr. TINKHAM. Does not the first section of the fourteenth amendment indicate what citizens are and what aliens are when it says:

All persons born or naturalized in the United States and subject to the jurisdiction thereof are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction equal protection of the law.

Is not the difference between a citizen and a noncitizen or an alien made directly in that section?

Mr. HOCH. The first section clearly states what a citizen is—a person born or naturalized in the United States. And, of course, in the amendment which would exclude aliens from the count in the apportionment we do not exclude children of aliens born in this country, because technically they are not aliens; they are citizens if born in the United States, even though their parents may never become naturalized. My amendment would only exclude those born abroad and who have never become naturalized.

I have heretofore discussed this question on its merits and in its various aspects. There is no time now to review the arguments.

But, in a concluding word in the minute I have remaining, I say that by no sound governmental reason, by no theory that harmonizes with the genius of our institutions, can we say that persons who have not taken the obligations of an American citizen, who may claim military exemption, who are permitted to go to a foreign ambassador here, representing the country of their allegiance, for representation in case their interests are involved—by no theory of American Government can you say on its merits that such aliens should be counted in determining representation in this House and in determining the electors whose number may change the result in the election of a President of the United States. [Applause.]

Mr. RANKIN. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

Mr. FENN. Mr. Chairman, I think that motion should come from this side of the House rather than that, and therefore I make the motion that all debate on this section and all amendments thereto be now closed.

The CHAIRMAN. The Chair recognized the gentleman from Mississippi to speak on the amendment offered by the gentleman from Kansas. The gentleman from Connecticut moves that all debate on this section and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question now is on the amendment in the nature of a substitute offered by the gentleman from Kansas [Mr. HOCH].

The question was taken; and the Chair being in doubt, the committee divided and there were 165 ayes and 124 noes.

So the amendment in the nature of a substitute was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Iowa [Mr. THURSTON], as amended.

Mr. CRISP. Mr. Chairman, is not the effect of this vote whether or not the committee will adopt the Hoch amendment? In other words the Hoch amendment is a substitute for the Thurston amendment and the vote now is to adopt the Hoch amendment.

The CHAIRMAN. The question is on the Thurston amendment as amended by the substitute.

The question was taken; and on a division (demanded by several Members) there were 183 ayes and 123 noes.

So the amendment as amended was agreed to.

Mr. REED of New York. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 18, line 9, after the word "section," insert a new section, as follows:

"Sec. 23. Nothing in this act contained shall be construed to prevent the legislature of any States (subject, however, to the initiative and referendum law in any State wherein such a law exists), at any time after the approval of this act, in order to secure contiguous and compact territory and equalization of population in accordance with the rules enumerated in section 3 of the apportionment act, approved August 8, 1911, by concurrent resolution, redistricting the State for the purpose of electing Representatives to Congress, and upon each and every such redistricting the Representatives to Congress shall in any such State be elected from the new districts so formed."

Mr. O'CONNOR of New York. Mr. Chairman, I make the point of order against the amendment. It is not germane to the bill. I would be very glad to have the Chair hear me if the Chair has any doubt about it.

The CHAIRMAN. The Chair had his attention called to this amendment by the gentleman from New York [Mr. REED], who placed it in the Record yesterday, and it will be found on page 2279. The Chair will ask the gentleman from New York who offered the amendment whether he can point to any portions in the pending bill which refer to the matter of the redistricting of the States by the legislatures of the States?

Mr. REED of New York. Mr. Chairman, we are dealing with a reapportionment act, and under Article I, section 4, of the Constitution it is provided as follows:

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations except as to the places of choosing Senators.

That gives us authority and makes it germane to this bill.

The CHAIRMAN. The gentleman's citation of the Constitution of the United States, the Chair thinks, would have no bearing on the pending bill. We are not considering any amendment to the Constitution. We are considering the present bill and amendments thereto. The Chair desires to give the gentleman an opportunity to show how the pending bill in any way relates to the redistricting of the States by the legislatures, if he can. The Chair has not been able to find anything in the bill which would relate to that subject.

Mr. REED of New York. But I submit that this Article I, section 4, of the Constitution gives us authority to enact legislation in this respect. We are now dealing with a reapportionment bill.

The CHAIRMAN. The pending bill does not relate to that subject, the Chair thinks.

Mr. CAREW. The fact that the gentleman's proposition might be constitutional does not make it germane.

The CHAIRMAN. The Chair had that in mind. Unless the gentleman wishes to argue the matter further the Chair is prepared to decide the point of order. The Chair is of opinion that the point of order is well taken and sustains the point of order.

Mr. TINKHAM. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TINKHAM: Page 17, line 1, after the word "taxed," insert the following: "and inhabitants in each State, being 21 years of age, and citizens of the United States, whose right to vote at an election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof, has been denied or abridged, except for rebellion or other crime."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. TINKHAM) there were—ayes 100, noes 121.

Mr. TINKHAM. Mr. Chairman, I demand tellers.

Tellers were ordered; and Mr. FENN and Mr. TINKHAM were appointed tellers.

The committee divided; and the tellers reported—ayes 145, noes 118.

So the amendment was agreed to.

Mr. FENN. Mr. Chairman, I move that all debate upon this section and all amendments thereto be now closed.

Mr. REED of New York. Mr. Chairman, wait a moment. I have an amendment that I desire to offer.

The CHAIRMAN. The gentleman from Connecticut moves that all debate upon this section and all amendments thereto do now close.

Mr. REED of New York. Mr. Chairman, I offer to amend that motion that it close in 15 minutes.

The CHAIRMAN. The committee is in great disorder. The Chair will state that if the committee does not come to order, the Chair will cause the committee to rise automatically and report the disorder to the House, as is his privilege.

Mr. FENN. Mr. Chairman, I desire to amend my motion.

The CHAIRMAN. The gentleman from New York has offered an amendment that debate close in 15 minutes.

Mr. FENN. Mr. Chairman, I ask that all debate upon the section and all amendments thereto close in five minutes.

Mr. O'CONNOR of New York. Mr. Chairman, if the proposed amendment of the gentleman from New York [Mr. REED] pertains to the same subject as the amendment against which I just made the point of order, I desire an opportunity to talk against it for five minutes. If it is a modification of that amendment, I desire an opportunity to speak against it.

The CHAIRMAN. The Chair is not informed as to what the proposed amendment is.

Mr. FENN. Mr. Chairman, I shall amend my motion by making it 10 minutes, so that the gentleman from New York [Mr. O'CONNOR] can have 5 minutes.

The CHAIRMAN. Without objection, the Chair will put the motion of the gentleman from Connecticut.

Mr. FITZGERALD. Mr. Chairman, I object to that.

The CHAIRMAN. The motion of the gentleman from Connecticut is that all debate close in 10 minutes.

Mr. FITZGERALD. I do not know why I should be cut off.

The CHAIRMAN. The gentleman from Connecticut moves that all debate upon this section and all amendments thereto close in 10 minutes.

The question was put, and the committee proceeded to divide.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Is not the question upon the amendment offered by the gentleman from New York [Mr. REED] to the amendment proposed by the gentleman from Connecticut [Mr. FENN]? The gentleman from New York proposed to amend the motion of the gentleman from Connecticut, that the debate should close in 15 minutes.

The CHAIRMAN. The Chair will state that in the committee, when nobody could be heard, the gentleman from New York [Mr. REED] attempted to offer an amendment to the motion offered by the gentleman from Connecticut. Subsequently the gentleman from Connecticut offered a new motion.

The Chair will state that if the gentleman from New York insists, although the membership of the House did not hear his amendment, the Chair will put his amendment, which was almost a secret between the gentleman from New York and the gentleman from Connecticut. The committee will proceed.

Mr. BANKHEAD. Mr. Chairman, I make the point of order that the question was taken on the motion of the gentleman.

The CHAIRMAN. The Chair thinks that a point of order can be made when the vote has not been completed.

Mr. BANKHEAD. The committee was dividing at the time.

The CHAIRMAN. The Chair will overrule that point.

Mr. REED of New York. Mr. Chairman, I offer the amendment which the Chair has before him.

The CHAIRMAN. The gentleman from New York offers an amendment, that all debate on this section and all amendments thereto close in 15 minutes. The question is on agreeing to that amendment.

The amendment to the motion was rejected.

The CHAIRMAN. The question now recurs on the motion of the gentleman from Connecticut [Mr. FENN], that all debate on this section and all amendments thereto close in 10 minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. GREEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GREEN. I desire to inquire if it is not in order under the rules of the House that when a teller vote is taken the opposing sides count the vote. Is not that true?

The CHAIRMAN. There is no rule. The tellers are supposed to agree as to how they count the vote.

Mr. GREEN. I would like to know how the tellers who took this vote voted. [Cries of "Regular order!"]

Did the gentleman from Connecticut, Mr. FENN, vote in the negative?

Mr. FENN. By what right does the gentleman inquire?

Mr. GREEN. It is a parliamentary inquiry.

The CHAIRMAN. The gentleman from New York [Mr. REED] will proceed. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. REED of New York: Page 17, line 24, after the word "section," strike out the period, insert a colon and the following:

"Provided, That nothing in this act contained shall be construed to prevent the legislature of any State (subject, however, to the initiative and referendum law in any State wherein such a law exists), at any time after the approval of this act, in order to secure contiguous and compact territory and equalization of population in accordance with the rules enumerated in section 3 of the apportionment act, approved August 8, 1911, by concurrent resolution, redistricting the State for the purpose of electing Representatives to Congress, and upon each and every such redistricting the Representatives to Congress shall in any such State be elected from the new districts so formed."

Mr. REED of New York. Mr. Chairman, the purpose of this is to prevent a deadlock in the State legislature.

Mr. O'CONNOR of New York. Mr. Chairman, I make a point of order on the amendment. This is the identical amendment, word for word, which was ruled out by the committee and prevented from being added to the bill. Now an attempt is made to insert it in section 22 of the bill. I make the point of order on the same ground—that it is not germane to the bill. It pertains to something that the legislature is going to do after being notified as to how many Members will come from certain States. This bill only provides for the taking of the census and notifying the executive of each State how many Members that State is entitled to.

Mr. TILSON. Mr. Chairman, will the gentleman from New York yield to me?

Mr. REED of New York. Yes.

Mr. TILSON. If we try to finish this bill to-night we shall probably have two or three record votes and that will carry us

far into the evening. If we might have an understanding that to-morrow we shall have a vote on this bill, it seems to me that it would be more convenient to the Members to do it that way.

Mr. RANKIN. We should continue to-night and get a vote on the bill and get rid of it.

Mr. TILSON. I am trying to provide for the comfort and convenience of the membership as much as possible. [Cries of "Vote!"] In order to test the sentiment of the House—and there is no politics in this; it is purely a matter of convenience to everybody—I move that the committee do now rise, and let us have a vote on that motion. [Cries of "Vote!"]

The CHAIRMAN. The Chair will state that in the event the committee rises, a point of order will be pending. The question is on agreeing to the motion of the gentleman from Connecticut that the committee do now rise.

The question was taken, and the chairman announced that the "ayes" seemed to have it.

Mr. CRISP. Mr. Chairman, a division.

The CHAIRMAN. The gentleman from Georgia asks for a division.

The committee divided; and there were—ayes 177, noes 121.

So the motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 312 and had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. KVALE (at the request of Mr. SELVIG) on account of business.

ENROLLED JOINT RESOLUTION SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 92. Joint resolution to provide an appropriation for payment to the widow of John J. Casey, late a Representative from the State of Pennsylvania.

ORDER OF BUSINESS

Mr. TILSON. Mr. Speaker, to-morrow is Calendar Wednesday and there is one small resolution in connection with the French debt settlement to be considered. I ask unanimous consent that upon the completion of the consideration of the resolution referred to, Calendar Wednesday business may be dispensed with for the rest of the day and that the census and reapportionment bill may go on.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that when the resolution to be reported by the Committee on Ways and Means shall have been acted upon it may be in order to take up Senate bill 312. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, how long will it take on the French debt settlement resolution?

Mr. TILSON. Perhaps my friend from Texas could give more information about that than I can.

Mr. GARNER. Mr. Speaker, I do not know. Speaking for myself, I am opposed to that resolution, because I do not think it is necessary at the present time. I would like to ask the gentleman a question while I am on my feet, if I may. Will there be any number of unanimous-consent requests for the consideration of legislation to-morrow?

Mr. TILSON. I understand that there will be no unanimous-consent requests for the consideration of legislation to-morrow, unless it be a request for the consideration of the bill which the gentleman from Michigan [Mr. CRAMTON] asked to have considered the other day—a little appropriation for the Yellowstone Park, I believe.

Mr. GARNER. That will be the only one.

Mr. TILSON. That is the only one I now have any knowledge of.

Mr. CRAMTON. If the gentleman will permit, I made two requests the other day, and the one I considered more important was the Indian appropriation for North Dakota. That was more urgent than the Yellowstone bill.

Mr. TILSON. Is that the one the gentleman had in mind when he spoke to me?

Mr. CRAMTON. Yes.

Mr. GARNER. That will be the only unanimous-consent request that the gentleman from Connecticut will permit to be offered to-morrow?

Mr. TILSON. I shall make that agreement with the gentleman, so far as I am able to control the matter.

Mr. GARNER. May I ask another question in the interest of information for the membership? Does the gentleman con-

template that the conference report on the farm relief bill will probably be reported to-morrow?

Mr. TILSON. I have hopes that it will be reported to-morrow so that we may act upon it Thursday.

Mr. HASTINGS. I did not quite understand. Is it expected to bring up the resolution to postpone the \$400,000,000 French debt settlement to-morrow?

Mr. TILSON. It is to come up as Calendar Wednesday business.

Mr. HASTINGS. In advance of the completion of the pending bill?

Mr. TILSON. Yes. The gentleman will understand that the resolution referred to will be in order while the pending bill will not be in order until Calendar Wednesday business is out of the way.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

FEDERAL RESERVE SYSTEM

Mr. LARSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, in part my own remarks with regard to the Federal reserve system and in part the inclusion of a short letter which I have received from a constituent who has given considerable thought to this question.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD on the subject of the Federal reserve system and to include a short letter. Is there objection?

There was no objection.

Mr. LARSEN. Mr. Speaker, the agricultural interests of the Nation and many business enterprises and banks in the agricultural sections are going through a period of financial distress perhaps never before equaled in the history of our Government. We are assured that our people as a whole are prosperous—actually so wealthy that they have more money than they know what to do with. It may be that much of our so-called prosperity and wealth is represented only on paper and consists of balances, the commercial value of which may be at least questionable. Certainly there is greater speculation in stocks and bonds throughout the country than ever existed before. People in all circumstances and all classes are more or less interested in wild speculation. Conditions have become such that we are told the Federal Reserve Board contemplates raising the discount rate and doing other drastic things in order to check, if not break up excessive speculation. Whether they will do this remains to be seen, but the press discloses that the New York Federal Bank announced no changes in its rediscount rate of 5 per cent after the last directors' meeting, and thus we may assume nothing drastic is contemplated by the Federal Reserve Board for the present at least. Perhaps few, if any, doubt that rediscount rates can be so manipulated as to curb speculation. The board did so in such way 10 years ago, in forming its agricultural deflation policy, that it brought financial distress from which agriculture has not yet recovered and perhaps will not do so for many years. No doubt something should be done to curb speculation, but just what it should be is difficult to say.

It is claimed that many banks in agricultural communities are transferring funds to large financial centers to be used in speculation and that this is one reason why credit is so hard in agricultural sections. If such conditions exist, and are caused by reasons alleged, certainly something should be done to encourage such banks to function for the welfare of communities in which they are located rather than for speculative purposes in the large cities.

Herewith, under rule granted, I submit a letter written by a gentleman who has given considerable thought and study to our monetary and banking systems. Those who read this letter may realize, not only what has occurred but what may be going on under our present-day methods of banking and finance.

WHOSE MAN ARE YOU?

If a ray of light, weighing the thousandth part of a grain, traveling from the sun at a rate of one billion miles in a second, impinges an iceberg in mid-ocean, what will be the force of the stroke? The force will be the weight multiplied by the velocity.

While walking through an old field near the set of sun, yours truly was forcibly struck with an idea. It must have been a large idea, or a small one traveling at a great velocity, for the impact on the cranium was momentous. He had been reading the history of finance and banking in this country, and the idea came forcibly that the banks and the money power not only now but most all the time have been the power behind the throne more powerful than the throne itself, have rendered this great Government subservient to their interests. The banks in every instance

have governed the Government. The banks and the money power have, de facto, been the Government, and the machinery of rule and legislation, only their ready instrument in furthering their designs.

So the idea came to me, Whose man are you, H. W. Nalley? Why, my good sir, I belong to the banks and capitalists. Whose man are you? "I belong to the great American Republic," you say. Well, that simply makes you the servant of servants, for the Republic belongs to the money power. Better own up and save some of your credit by acknowledging your direct servitude at once.

In order to make all of this appear true we will give a few items of history. There is nothing like history.

The Bank of North America was chartered in 1781; capital limited to \$10,000,000; issue, unlimited; the subscribed capital by Government, \$254,000; by individuals, \$146,000; no money paid in. The bank was run by the money paid in the Treasury by way of taxation, and individuals had just enough interest to gobble up all the spoils, and that, too, on money paid in as taxes on the people. This scheme lasted 10 years.

The Bank of the United States was chartered in 1791; capital, \$10,000,000; two millions subscribed by the Government; eight millions by individuals. The Government had no money to pay its subscription, proposed to borrow it from the bank. The bank having no money to lend passed a credit of two millions on its bank to the Government, and the Government paid 6 per cent on the credit. This was a great deal better than the bank of 1781, for the Government not only furnished the major part of the capital by the taxes passing through it but actually paid 6 per cent on two millions to parties who did not have it to lend. Sold itself, bound hand and foot, into bondage, and thus it remained till Jackson's administration. He that hath ears to hear, let him hear. Thus early in the infancy of the Republic the banks and money power made a tool of the people's Government for their own enrichment. "If such things occurred in the green tree, what may we expect in the dry?"

Still betterer and betterer. The charter was renewed in 1816; capital (limited) thirty-five millions; individuals subscribed twenty-eight millions; Government seven millions. The Government did not have the money, and the individuals did not have it to lend; so the Government pays 6 per cent interest to the individuals on its \$7,000,000 for credit's sake. Angels and ministers defend us! Oh, ye gods, come down! All the money that was ever paid in was \$350,000, while this cutthroat scheme was collecting interest from the people's Government on \$7,000,000, and that through taxation. This itself was \$420,000 annually, and more money than the individuals had paid in.

Then the bubble burst in 1832 by Andrew Jackson vetoing the bill to renew the charter. This almost created a war. It is strange now, in reviewing the past, that Jackson escaped assassination. Those who are old enough to recollect the time can well remember just what a howl was raised on this occasion. The whole world shook from center to circumference; the moon turned red, and the planets strayed from their predestined orbits. Great calamities were going to befall the Nation. A more hideous and monstrous crime was never perpetrated by any ruler in a free government. Such were the howlings and bellowings of the money sharks and those who were susceptible to their influence.

When the thing smashed up and a rendering had to be made, what was found in the bank? We find that individuals did not have as much interest. They had spent a portion of it in fast living and had issued money in the bank as the Government had first and last paid in as a large amount of irredeemable paper money on credit, for which credit the Government paid interest on. This ends the chapter. The country was then flooded with State banks till 1860. Some acted honestly and some rascally.

The Civil War was progressing. The Government issued notes and the banks were the first to refuse to take these notes. It issued legal tenders; they howled and protested. It issued interest-bearing notes by the million. This pleased them a little better. The Government issued interest-bearing bonds in order to reduce its circulation, and the treasurer perforce was compelled to travel by his agents all over the West to sell them. It issued the banking act allowing national banks to issue on the faith of the bonds bought from the Government. This pleased them, ah, ha! They then could pay the Government 1 per cent on their issue and lend it for 10 to 25 per cent. When the war closed, the banks had not in one single instance, without extravagant compensation, assisted the Government in maintaining its credit or in prosecuting the war. For what, then, was the Government under obligation to these money changers? Simply nothing. They had bought but a few of its bonds. Its bonds, its legal tenders, its interest-bearing coupon notes, all were out in 1865 among the people. The banks had hid its specie, and would not touch a paper without immediate profit. These are irrefutable facts.

Now the dance commences. Now the speculation in Government paper is inaugurated. Now the banks assume that they must be paid for maintaining the credit of the Government. The maintaining of the credit of the Government after the war is over and peace is declared has always been a great thing with the bankers.

They buy up from the people the Government paper with specie hoarded and hid during the war. Then they have a law passed through

Congress to pay them in specie. They buy again at half value, made payable in gold. They demonetize silver and buy again at a discount. Thus by a truculent Congress, and by their manipulations, they became masters of the situation. They dictate the price of corn, of wheat, and other products of labor. They have aggregated the money of the Nation to themselves so as to control it. They have gotten hold of all public works. They have absorbed the lands of the Nation. They have exempted themselves from taxation. The bonds that cost them 30 to 40 cents soon were worth by their manipulation \$1.28. Mr. Farmer, the product of your labor has been reduced four times and their money has increased in value four times. You have paid the Civil War debt in the value of money it was contracted in more than three times, and you owe more to-day on this debt than in 1865 in the products of your labor. Kind and affectionate readers, yours truly wishes to know whose man are you? You may have some sprightly boys and some beautiful girls growing up, and I would like to know who they will belong to after you are dead.

This much on the money question showing its manipulation by a bunch of crooked individuals, before we finally bring you to the chapter when, through the efforts of the Democratic Party, during Wilson's administrations, you finally shook hands and parted with your monetary system to the greatest slave manufacturers that the human race has ever had to encounter.

H. W. NALLEY.

ALAMO, GA.

THE TARIFF BILL

Mr. SPROUL of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks on the tariff bill, H. R. 2667.

The SPEAKER. The gentleman from Kansas asks unanimous consent to extend his remarks on the tariff bill. Is there objection?

There was no objection.

LEAD SHOULD HAVE HIGHER DUTY

Mr. SPROUL of Kansas. Mr. Speaker and Members of the House, it is our understanding that we have been convened in this special session in the interest of agriculture, especially in the interest of those engaged in agriculture whose property and products are entirely too low in price in relation to the non-agricultural products; but inasmuch as the Ways and Means Committee has seen fit to go far afield the subject and purposes for which we have been convened in their tariff bill reported to the House, and have undertaken to adjust the import duties by raising them upon a great many nonagricultural products, it would seem to me very fitting and proper to raise the import duties upon lead products.

In southwest Missouri, northeastern Oklahoma, and southeastern Kansas are situated great lead and zinc mines where millions in money are invested in the lead and zinc mining industry, and here thousands of men are employed whose families are dependent upon their services to secure money with which to purchase the essentials of this life. The protective tariff policy of our Government is believed in and indorsed by the great majority of thinking people. The policy contemplates the placing of duties upon such imported products from foreign countries as are being or can be produced in the United States in such quantities as will supply the United States market demand. Of course, this protective tariff policy contemplates such immigration restriction laws as will secure employment at good wages for our American labor. It likewise contemplates the encouragement and inducement of American capital to seek investment in American industry with assurance of reasonable profits and returns thereon. The production of our needed agricultural products at home and our mineral products at home and our manufactured products at home where American labor is employed at good wages keeps within the United States the money paid out for our labor and all the products that our country produces. This keeping of our money at home enables our Government to easily maintain a high per capita circulating medium. And it insures the active circulating medium which makes money easy to get with which to purchase the things needed in this life, and with which to pay various kinds of taxes and other personal obligations.

These are some of the real merits of our American protective system. A protective-tariff duty should be sufficiently high to keep out foreign competition, thus making sufficient demand for the American product to insure its production in sufficient quantities to supply the market. Now, Mr. Chairman, there is within the United States a great abundance of labor to supply the market of the United States, but the price of lead has not been sufficiently high to induce the production of a sufficient quantity of it to supply our United States market. The tariff duty has been so low, considered in connection with the cheap labor and other costs in connection therewith, that foreign lead has been mined and imported into this country during the year 1923 to a very large per cent of our American production. The

estimated quantity of lead produced in the United States and imported during 1928 was as follows:

	Tons
Lead produced in the United States.....	625,618
Lead imported in ore, matte, and bullion.....	154,382

The value of this 625,618 tons of United States produced lead was \$76,325,396. For the 154,382 tons of imported lead there was paid \$14,448,010. Foreign capital evidently yielded a profit to its owners and investors in producing the quantity of lead imported into the United States. For the production of the \$14,448,010 of lead foreign labor was used.

While that foreign-produced lead was being mined and milled the capital of our mine owners and operators and the labor in and about our mines were unemployed and idle to the extent of the quantity required to produce the importations.

It will be observed, Mr. Speaker, that the quantity of lead imported into the United States in 1928 was equal to almost one-fourth of the quantity produced in the United States. If our mines had been protected with a higher tariff duty, they could have produced all the lead required for our United States market. Our operators could have been active one-fifth more of the time, and our miners could have been employed and at work one-fifth more of the time. A higher duty on lead would have produced a demand for more labor, or labor more of the time. Our mines should have produced the \$14,000,000 worth of ore that was imported from Mexico and Canada.

Ordinarily it is the duty of Congress to closely observe these industrial conditions and keep the protective tariff duties so adjusted as to protect and encourage not only American capital to be active but to give employment at good wages to American labor. If opportunity had been afforded, it was my intention and purpose, Mr. Chairman, to offer an amendment to our tariff schedule, raising the duty one-half cent per pound on imported lead in its various forms. It is my sincere belief that such an increase in the tariff duty would induce the production of sufficient lead from our mines to supply the entire market demand in the United States; would stimulate more activity of the lead industry; would give more employment to labor and better wages; would improve the business condition in all kinds of mercantile and industrial activity within the entire mining district. Mr. Chairman, had there been an opportunity afforded, as I sincerely think there should have been, to offer this amendment, I am sure it would have met with the hearty indorsement of a great majority of this Congress; because no sincere protectionist could or would have tried to justify the importation of between one-fifth and one-fourth of the total lead consumed in the United States. There has been an apparent increase in the consumption in the United States in 1928 of 62,000 tons of primary lead over that of 1927, which is a fact to be appreciated by all who are interested in the lead-mining industry.

ADJOURNMENT

Mr. FENN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 28 minutes p. m.) the House adjourned until to-morrow, Wednesday, June 5, 1929, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Tennessee: A bill (H. R. 3655) granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the Clinch River near Kingston, in Roane County, Tenn.; to the Committee on Interstate and Foreign Commerce.

By Mr. ESTERLY: A bill (H. R. 3656) authorizing an appropriation of \$5,000 for the erection of a tablet or marker at Weiser Park, Pa., to commemorate the services of Conrad Weiser, of the United States of America; to the Committee on the Library.

By Mr. SIMMONS: A bill (H. R. 3657) to quiet title and possession with respect to certain lands in Custer County, Nebr.; to the Committee on the Public Lands.

By Mr. WALKER: A bill (H. R. 3658) to provide for the establishment of the Fort Boonesboro national monument in the State of Kentucky, and for other purposes; to the Committee on the Library.

Also, a bill (H. R. 3659) for the purchase of a site for a public building at Berea, Madison County, Ky.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3660) for the purchase of a site for a public building at Stanford, Lincoln County, Ky.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3661) for the purchase of a site for a public building at Nicholasville, Jessamine County, Ky.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3662) authorizing the Secretary of the Treasury to reimburse the city of Richmond, State of Kentucky, the sum of \$1,581.66 expended by said city in construction of streets and gutters fronting the Government building in said city; to the Committee on Public Buildings and Grounds.

By Mr. WOOD: A bill (H. R. 3663) making appropriations for the payment of certain judgments rendered against the Government by various United States courts; to the Committee on Appropriations.

By Mr. HALL of North Dakota: A bill (H. R. 3664) conferring jurisdiction on the Court of Claims to hear and determine all claims of the Sisseton and Wahpeton Band of Sioux Indians against the United States; to the Committee on Indian Affairs.

By Mr. FISH: A bill (H. R. 3665) prohibiting the interstate shipment of machine guns and automatic rifles; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES (by request of the War Department): A bill (H. R. 3666) to authorize appropriations for construction at the United States Military Academy, West Point, N. Y., and for other purposes; to the Committee on Military Affairs.

By Mr. SIMMONS: Joint resolution (H. J. Res. 97) making appropriations toward carrying out the provisions of the act entitled "An act to provide for the establishment of a municipal center in the District of Columbia," approved February 28, 1929; to the Committee on Appropriations.

By Mr. KIESS: Joint resolution (H. J. Res. 98) to provide for the preparation and distribution of pamphlets containing the Constitution of the United States printed in foreign languages and in English; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 3667) granting a pension to Mary E. Jackson; to the Committee on Invalid Pensions.

By Mr. BACHMANN: A bill (H. R. 3668) granting an increase of pension to Augusta L. W. Dahnhart; to the Committee on Invalid Pensions.

By Mr. BLACKBURN: A bill (H. R. 3669) granting a pension to James Warren; to the Committee on Invalid Pensions.

By Mr. HARTLEY: A bill (H. R. 3670) granting a pension to Mary L. Porter; to the Committee on Invalid Pensions.

By Mr. HILL of Alabama: A bill (H. R. 3671) to authorize and direct a survey to be made of the Escambia River and its tributaries, Alabama and Florida; to the Committee on Flood Control.

By Mr. KENDALL of Kentucky: A bill (H. R. 3672) granting a pension to Martha Barber; to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 3673) granting an increase of pension to Anna M. Miller; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 3674) granting an increase of pension to Mary E. Bell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3675) granting an increase of pension to Manerva E. Osborn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3676) granting an increase of pension to Amanda F. Cotter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3677) granting an increase of pension to Laura B. Cooley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3678) granting an increase of pension to Margaret Dennis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3679) granting a pension to Laura Coulson; to the Committee on Invalid Pensions.

By Mr. REID of Illinois: A bill (H. R. 3680) for the relief of Joliet National Bank, Commercial Trust & Savings Bank, and H. William, John J., Edward F., and Ellen C. Sharpe; to the Committee on War Claims.

By Mr. STEAGALL: A bill (H. R. 3681) to authorize and direct a survey to be made of the Choctawhatchee River and its tributaries, Alabama and Florida; to the Committee on Flood Control.

By Mr. SUMNERS of Texas: A bill (H. R. 3682) for the relief of George W. Perry; to the Committee on Military Affairs.

By Mr. TAYLOR of Tennessee: A bill (H. R. 3683) granting a pension to Mary J. Wells; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 3684) granting a pension to Alberta Lutman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3685) granting a pension to Nancy J. Moon; to the Committee on Invalid Pensions.

By Mr. WOLVERTON of New Jersey: A bill (H. R. 3686) granting an increase of pension to Mary Wallace; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

608. By Mr. FULLER: Petition of sundry citizens from the State of Arkansas, opposing the proposed calendar change of weekly cycle; to the Committee on Foreign Affairs.

609. By Mr. GARBER of Oklahoma: Petition of the Ridenour-Baker Mercantile Co., Oklahoma City, Okla., protesting against the enactment of House bill 6, amending section 2 of the statute defining and taxing oleomargarine by including in it products not heretofore known or classified as oleomargarine; to the Committee on Agriculture.

SENATE

WEDNESDAY, June 5, 1929

(Legislative day of Tuesday, June 4, 1929)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTIONS SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled joint resolutions, and they were signed by the Vice President:

H. J. Res. 61. Joint resolution to amend the appropriation "organizing the Naval Reserve, 1930";

H. J. Res. 82. Joint resolution making appropriations for additional compensation for transportation of the mail by railroad routes in accordance with the increased rates fixed by the Interstate Commerce Commission;

H. J. Res. 84. Joint resolution extending until June 30, 1930, the availability of the appropriation for enlarging and relocating the Botanic Garden; and

H. J. Res. 92. Joint resolution to provide an appropriation for payment to the widow of John J. Casey, late a Representative from the State of Pennsylvania.

INTERNATIONAL PAPER & POWER CO.

The VICE PRESIDENT laid before the Senate a communication from the Postmaster General, submitting, in further response to Senate Resolution 53, amended statements concerning the owners and publishers of certain newspapers as filed with the department, pursuant to law, on April 1, 1929, which, with the accompanying papers, was ordered to lie on the table and to be printed as part 2 of Senate Document No. 11.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Commerce:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-EIGHTH SESSION,
Sacramento.

Assembly Joint Resolution 8

Chapter 45

Assembly Joint Resolution 8, relative to memorializing Congress for Federal aid in the construction of a breakwater in Trinidad Harbor at or near the city of Trinidad, Calif.

Whereas the development of harbor facilities, deep-water harbors, and ports of refuge on the long coast line of California is of vital importance to the welfare of the State and the Nation; and

Whereas such facilities and ports are necessary to water-borne commerce, which is rapidly increasing on the Pacific coast; and

Whereas natural harbors along more than 750 miles of California coast line are limited to a few in number as compared to the Atlantic seaboard, and development of these harbors is extremely important to the ever-increasing productivity of the State; and

Whereas the city of Trinidad, Calif., is now seeking Federal assistance in the construction of a breakwater in Trinidad Bay for the development and improvement of a deep-water harbor which will serve as an outlet for the commerce and industry that will follow the development of northwestern California, with its millions of dollars worth of untouched and undeveloped natural resources; and

Whereas improvements made in Trinidad Harbor would facilitate the shipping of commerce to and from the tributary territory: Now, therefore, be it

Resolved by the assembly and the senate jointly, That the Legislature of the State of California joins with the city of Trinidad in respectfully urging and requesting Federal assistance in this important project and the adoption by the Congress of the United States of appropriate legislation for the appropriation of the requisite funds to aid in the construction of said proposed breakwater; and be it further

Resolved, That the chief clerk of the assembly be, and he is hereby, directed to transmit copies of these resolutions to the President of the United States, to the Secretary of War of the United States, the Secretary of the Navy of the United States, and to each of the Members of the Senate and House of Representatives.

EDGAR C. LEVEY,
Speaker of the Assembly.

Attest:

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on the Library:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-EIGHTH SESSION,
Sacramento.

Assembly Joint Resolution 13

Chapter 39

Assembly Joint Resolution No. 13, relative to the California State Fair and the Western States Exposition

Whereas the seventy-fifth anniversary of the State fair of California is to be celebrated at Sacramento between the dates of August 31 and September 9, 1929, both dates inclusive; and

Whereas said annual State fair is to be held at Sacramento between said dates in conjunction with the Western States Exposition: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That President Herbert Hoover and Mrs. Hoover be, and they are hereby, invited and most respectfully urged to attend the California State Fair and Western States Exposition at Sacramento, upon some convenient date or dates during the continuance thereof; and be it further

Resolved, That a suitably engrossed copy of this resolution be delivered to President and Mrs. Hoover and to each Senator and Representative in Congress from California.

(Introduced by Hon. Roy J. Nielsen.)

EDGAR C. LEVEY,
Speaker of the Assembly.

Attest:

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Agriculture and Forestry:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-EIGHTH SESSION,
Sacramento.

Assembly Joint Resolution 16

Chapter 77

Assembly Joint Resolution No. 16, relating to resurvey of north boundary of Hoopa Indian Reservation and modification of Klamath River fish and game district initiative act

Whereas the Klamath River is the principal source of supply of salmon and steelhead trout spawn for artificial propagation of those species of food fishes in the State of California; and

Whereas the people of the State of California, by initiative act passed at the general election in November, 1924, ordained that the waters of the Klamath River were, and would thereafter be, the Klamath River fish and game district and prohibited the construction or maintenance of any dam or other artificial obstruction within the district; and

Whereas an effort is now being made to annul said initiative act by causing the United States to resurvey the north boundary of the Hoopa Indian Reservation along the lower Klamath River so as to relocate the said north boundary at a point 26 chains north of the position it has occupied since the early eighties, thus placing several miles of the river under the jurisdiction of the Federal Government and beyond the control of the initiative act; and

Whereas if this resurvey is allowed and approved by the Department of the Interior, dams will be constructed within the area thus beyond the provisions of the initiative act and the run of salmon and steelhead trout in the Klamath River will be totally destroyed, and the